

Annual Report
of the
Secretary of the Treasury
on the
State of the Finances

For the Fiscal Year Ended June 30, 1949

Including Administrative Reports by Bureaus and Offices,
and Exhibits and Tables Relating to Treasury Operations



TREASURY DEPARTMENT

DOCUMENT NO. 3162

Secretary

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In tables where figures have been rounded to a specified unit, the components may not necessarily add to totals. Percentages are calculated on unrounded figures.

**SECRETARIES, UNDER SECRETARIES, AND ASSISTANT SECRETARIES
OF THE TREASURY DEPARTMENT FROM MARCH 4, 1933, TO NOVEMBER 15, 1949,¹ AND THE PRESIDENTS UNDER WHOM THEY SERVED**

Term of service		Official	Served under—	
From—	To—		Secretary of the Treasury	President
<i>Secretary of the Treasury</i>				
Mar. 4, 1933	Dec. 31, 1933	William H. Woodin, New York.....	-----	Roosevelt.
Jan. 1, 1934	July 22, 1945	Henry Morgenthau, Jr., New York.....	-----	Roosevelt,
			-----	Truman.
July 23, 1945	June 23, 1946	Fred M. Vinson, Kentucky.....	-----	Truman.
June 25, 1946	-----	John W. Snyder, Missouri.....	-----	Truman.
<i>Under Secretary</i>				
May 19, 1933	Nov. 16, 1933	Dean G. Acheson, Maryland.....	Woodin.....	Roosevelt.
Nov. 17, 1933	Dec. 31, 1933	Henry Morgenthau, Jr., New York.....	Woodin.....	Roosevelt.
May 2, 1934	Feb. 15, 1936	Thomas Jefferson Coolidge, Massachusetts.....	Morgenthau.....	Roosevelt.
Jan. 29, 1937	Sept. 15, 1938	Roswell Magill, New York.....	Morgenthau.....	Roosevelt.
Nov. 1, 1938	Dec. 31, 1939	John W. Hanes, North Carolina.....	Morgenthau.....	Roosevelt.
Jan. 18, 1940	Dec. 31, 1945	Daniel W. Bell, Illinois.....	Morgenthau, Vinson.....	Roosevelt,
			-----	Truman.
Mar. 4, 1946	Jan. 14, 1947	O. Max Gardner, North Carolina.....	Vinson, Snyder.....	Truman.
Jan. 23, 1947	July 14, 1948	A. L. M. Wiggins, South Carolina.....	Snyder.....	Truman.
July 15, 1948	-----	Edward H. Foley, Jr., New York.....	Snyder.....	Truman.
<i>Assistant Secretaries</i>				
Apr. 18, 1933	Feb. 15, 1936	Lawrence W. Robert, Jr., Georgia.....	Woodin, Morgenthau.....	Roosevelt.
June 6, 1933	Sept. 30, 1939	Stephen B. Gibbons, New York.....	Woodin, Morgenthau.....	Roosevelt.
June 12, 1933	Dec. 12, 1933	Thomas Hewes, Connecticut.....	Woodin.....	Roosevelt.
Dec. 1, 1934	Nov. 1, 1937	Josephine Roche, Colorado.....	Morgenthau.....	Roosevelt.
Feb. 19, 1936	Feb. 28, 1939	Wayne C. Taylor, Illinois.....	Morgenthau.....	Roosevelt.
July 1, 1938	Oct. 31, 1939	John W. Hanes, North Carolina.....	Morgenthau.....	Roosevelt.
June 23, 1939	Dec. 2, 1945	Herbert E. Gaston, New York.....	Morgenthau, Vinson.....	Roosevelt,
			-----	Truman.
Jan. 18, 1940	Nov. 30, 1944	John L. Sullivan, New Hampshire.....	Morgenthau.....	Roosevelt.
Jan. 24, 1945	May 1, 1946	Harry D. White, Maryland.....	Morgenthau, Vinson.....	Roosevelt,
			-----	Truman.
Apr. 15, 1946	July 14, 1948	Edward H. Foley, Jr., New York.....	Vinson, Snyder.....	Truman.
July 16, 1948	-----	John S. Graham, North Carolina.....	Snyder.....	Truman.
Feb. 8, 1949	-----	William McChesney Martin, Jr., New York.....	Snyder.....	Truman.
<i>Fiscal Assistant Secretary</i>				
Mar. 16, 1945	-----	Edward F. Bartelt, Illinois.....	Morgenthau, Vinson, Snyder.	Roosevelt, Truman.

¹ For officials since 1789 see annual report for 1932, pp. xvii to xxi, and corresponding table in annual report for 1933.

PRINCIPAL ADMINISTRATIVE AND STAFF OFFICERS OF THE TREASURY DEPARTMENT AS OF NOVEMBER 15, 1949

SECRETARY

JOHN W. SNYDER

Edward H. Foley, Jr.....	Under Secretary of the Treasury.
John S. Graham.....	Assistant Secretary of the Treasury.
William McC. Martin, Jr.....	Assistant Secretary of the Treasury.
Thomas J. Lynch.....	General Counsel.
Edward F. Bartelt.....	Fiscal Assistant Secretary of the Treasury.
William W. Parsons.....	Administrative Assistant to the Secretary.
George C. Haas.....	Director of the Technical Staff.
William J. Bray.....	Assistant to the Secretary.
James J. Saxon.....	Assistant to the Secretary.
A. L. M. Wiggins.....	Assistant to the Secretary.
Frank A. Southard, Jr.....	Special Assistant to the Secretary.

OFFICE OF THE UNDER SECRETARY EDWARD H. FOLEY, JR.*

Elmer T. Acken.....	Assistant to the Under Secretary.
James J. Maloney.....	Chief Coordinator, Treasury Enforcement Agencies.

OFFICE OF ASSISTANT SECRETARY JOHN S. GRAHAM*

Kennedy C. Watkins.....	Executive Assistant to Assistant Secretary.
-------------------------	---

OFFICE OF ASSISTANT SECRETARY WILLIAM McC. MARTIN, JR.*

George H. Willis.....	Director, Office of International Finance.
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OFFICE OF THE GENERAL COUNSEL THOMAS J. LYNCH

Norman O. Tietjens.....	Assistant General Counsel.
Elting Arnold.....	Assistant General Counsel.
Philip Nichols, Jr.....	Assistant General Counsel.
John K. Carlock.....	Assistant General Counsel.
Vance N. Kirby.....	Tax Legislative Counsel.
Frederick C. Lusk.....	Assistant Tax Legislative Counsel.
John J. Boland.....	Assistant Tax Legislative Counsel.
Hugo A. Ranta.....	Assistant to the General Counsel.
George Bronz.....	Special Assistant to the General Counsel.
Lawrence Linville.....	Special Assistant to the General Counsel.
Kenneth S. Harrison.....	Chief Counsel, U. S. Coast Guard.
John F. Anderson.....	Chief Counsel, Office of the Comptroller of the Currency
Robert Chambers.....	Chief Counsel, Bureau of Customs.
Charles Oliphant.....	Chief Counsel, Bureau of Internal Revenue.
Elting Arnold.....	Chief Counsel, Office of International Finance.
Alfred L. Tennyson.....	Chief Counsel, Bureau of Narcotics.
Theodore W. Cunningham.....	Chief Counsel, Bureau of the Public Debt.

OFFICE OF THE FISCAL ASSISTANT SECRETARY EDWARD F. BARTELT*

William T. Heffelfinger.....	Assistant to the Fiscal Assistant Secretary.
Edward D. Batchelder.....	Technical Assistant to the Fiscal Assistant Secretary.
Martin L. Moore.....	Technical Assistant to the Fiscal Assistant Secretary.
Frank F. Dietrich.....	Technical Assistant to the Fiscal Assistant Secretary.
Gilbert L. Cake.....	Head, Fiscal Service Operations and Methods Staff.

OFFICE OF ADMINISTRATIVE ASSISTANT TO THE SECRETARY WILLIAM W. PARSONS

William L. Lynch.....	Assistant to the Administrative Assistant.
Willard L. Johnson.....	Budget Officer.
George H. Jones.....	Assistant Budget Officer.
James H. Hard II.....	Director of Personnel.
James A. Jordan.....	Assistant Director of Personnel.
Paul McDonald.....	Director of Administrative Services.
Denzil A. Right.....	Superintendent, Division of Treasury Buildings.
Edward E. Berney.....	Chief, Division of Treasury Space Control.
Henry L. Merriks.....	Chief, Division of Office Services.

*See Organization chart,

OFFICE OF THE TECHNICAL STAFF

George C. Haas.....	Director of the Technical Staff.
Edmund M. Daggit.....	Assistant Director.
Thomas F. Leahey.....	Assistant Director.
Robert P. Mayo.....	Assistant Director.
Russell R. Reagh.....	Assistant Director (Government Actuary).
Sidney G. Tickton.....	Assistant Director.
Anna M. Michener.....	Assistant to the Director.
William M. Weir.....	Administrative Assistant to the Director.
Isabella S. Diamond.....	Librarian.

OFFICE OF INTERNATIONAL FINANCE

George H. Willis.....	Director, Office of International Finance.
Charles Dillon Glendinning.....	Secretary, National Advisory Council.
Arthur F. Blaser, Jr.....	Acting Chief, British Commonwealth and Middle East Division.
Morris J. Fields.....	Chief, Commercial Policy and United Nations Division.
Philip P. Schaffner.....	Acting Chief, European Division.
Arthur W. Stuart.....	Chief, Far Eastern Division.
Paul D. Dickens.....	Chief, International Statistics Division.
John S. deBeers.....	Chief, Latin American Division.
George A. Eddy.....	Chief, Stabilization Fund, Gold and Silver Division.
Mary C. Hall.....	Administrative Assistant to the Director.
Walter F. White.....	Budget Officer.

TAX ADVISORY STAFF OF THE SECRETARY

Vacant.....	Director.
L. L. Ecker-Racz.....	Associate Director.
F. Newell Campbell.....	Assistant Director.
Richard E. Slitor.....	Assistant Director.
Robert B. Bangs.....	Assistant Director.

OFFICE OF THE COMPTROLLER OF THE CURRENCY

Preston Delano.....	Comptroller of the Currency.
J. L. Robertson.....	First Deputy Comptroller of the Currency.
R. B. McCandless.....	Second Deputy Comptroller of the Currency.
J. W. Hudspeth.....	Third Deputy Comptroller of the Currency.
W. P. Folger.....	Chief National Bank Examiner.

BUREAU OF CUSTOMS

Frank Dow.....	Commissioner of Customs.
D. B. Strubinger.....	Assistant Commissioner of Customs.
W. R. Johnson.....	Special Assistant to the Commissioner.
Charles Stevenson.....	Deputy Commissioner of Appraisement Administration.
E. J. Shamhart.....	Deputy Commissioner of Investigations.
W. H. Ziehl.....	Administrative Officer, Budget and Management (Acting Deputy Commissioner).
G. H. Griffith.....	Chief, Division of Drawbacks, Enforcement, and Quotas.
W. E. Higman.....	Chief, Division of Classification, Entry, and Value.
H. E. Sweet.....	Chief, Division of Marine Administration.
J. F. Williams.....	Chief, Division of Laboratories.
F. W. Gast.....	Chief, Division of Engineering and Weighing.

BUREAU OF ENGRAVING AND PRINTING

Alvin W. Hall.....	Director, Bureau of Engraving and Printing.
Henry J. Holtzclaw.....	Assistant Director.
Thomas F. Slattery.....	Assistant Director (Production).

BUREAU OF ACCOUNTS (IN THE FISCAL SERVICE)

Robert W. Maxwell.....	Commissioner of Accounts.
Gilbert L. Cake.....	Associate Commissioner.
Paul D. Banning.....	Chief Disbursing Officer, Division of Disbursement.
Harold R. Gearhart.....	Deputy Commissioner.
Edmund C. Nusssear.....	Assistant Deputy Commissioner.
Stephen P. Gerardi.....	Executive Assistant to the Commissioner.
Wallace E. Barker, Jr.....	Administrative Assistant to the Commissioner.
George E. Jones.....	Chief Accountant.
George Friedman.....	Technical Assistant to the Commissioner.
Boyd A. Evans.....	Special Assistant to the Associate Commissioner.

BUREAU OF THE PUBLIC DEBT (IN THE FISCAL SERVICE)

Edwin L. Kilby.....	Commissioner of the Public Debt.
Donald M. Merritt.....	Associate Commissioner.
Ross A. Heffelfinger, Jr.....	Deputy Commissioner in Charge, Washington Office.
Charles D. Peyton.....	Deputy Commissioner in Charge, Chicago Office.

OFFICE OF THE TREASURER OF THE UNITED STATES (IN THE FISCAL SERVICE)

Georgia Neese Clark.....	Treasurer of the United States.
Marion G. Banister.....	Assistant Treasurer.
Michael E. Slindce.....	Deputy and Acting Treasurer.
Frederick L. Church.....	Assistant Deputy Treasurer.
Grover C. Emerson.....	Staff Assistant.

BUREAU OF INTERNAL REVENUE

George J. Schoeneman.....	Commissioner of Internal Revenue.
Fred S. Martin.....	Assistant Commissioner.
Daniel A. Bolich.....	Assistant Commissioner.
T. C. Atkeson.....	Assistant to the Commissioner.
Eldon P. King.....	Special Deputy Commissioner.
E. I. McLarney.....	Deputy Commissioner, Income Tax Unit.
A. H. Cross.....	Deputy Commissioner, Accounts and Collections Unit.
Victor H. Self.....	Deputy Commissioner, Employment Tax Unit.
Charles J. Valaer.....	Deputy Commissioner, Miscellaneous Tax Unit.
Carroll E. Mealey.....	Deputy Commissioner, Alcohol Tax Unit.
Aubrey R. Marrs.....	Head, Technical Staff.
William H. Woolf.....	Chief, Intelligence Unit.
Henry J. Merry.....	Chairman, Excess Profits Tax Council.

BUREAU OF THE MINT

Nellie Tayloe Ross.....	Director of the Mint.
Leland Howard.....	Assistant Director.

BUREAU OF NARCOTICS

Harry J. Anslinger.....	Commissioner of Narcotics.
George W. Cunningham.....	Deputy Commissioner.
Malachi L. Harney.....	Assistant to the Commissioner.

UNITED STATES COAST GUARD

Admiral Joseph F. Farley.....	Commandant, U. S. Coast Guard.
Rear Admiral Merlin O'Neill.....	Assistant Commandant.
Rear Admiral Ellis Reed-Hill.....	Engineer in Chief.

U. S. SAVINGS BONDS DIVISION

Vernon L. Clark.....	National Director.
Leon J. Markham.....	Director of Sales.
Bill McDonald.....	Executive Officer.

UNITED STATES SECRET SERVICE

U. E. Baughman.....	Chief, U. S. Secret Service.
Carl Dickson.....	Assistant Chief.
Harry E. Neal.....	Executive Aide to the Chief.
George W. Taylor.....	Administrative Officer.

STANDING DEPARTMENTAL COMMITTEES

COMMITTEE ON EMPLOYEE AWARDS

James H. Hard II.....	Chairman.
Willard L. Johnson.....	Vice Chairman.
Byron S. Beall.....	Member.
Fred A. Clark.....	Member.
Allison Rupert.....	Member.
Harrell T. Vance.....	Member.

LOYALTY BOARD

James H. Hard II.....	Chairman.
Norman O. Tietjens.....	Member.
William T. Heffelfinger.....	Member.

COMMITTEE ON PRACTICE

John L. Graves.....	Chairman.
Hessel E. Yntema.....	Member.
Huntington Cairns.....	Member.

WAGE BOARD

James H. Hard II.....	Chairman.
Willard L. Johnson.....	Member.
George Billard.....	Member.

TREASURY DEPARTMENT MANAGEMENT COMMITTEE

William W. Parsons.....	Chairman.
T. C. Atkeson.....	Member.
William T. Heffelfinger.....	Member.
David B. Strubinger.....	Member.
F. Leland Howard.....	Member.
Norman O. Tietjens.....	Member.
Henry J. Holtzelaw.....	Member.
A. C. Richmond.....	Member.
James J. Maloney.....	Member.

INTERDEPARTMENTAL SAVINGS BOND COMMITTEE

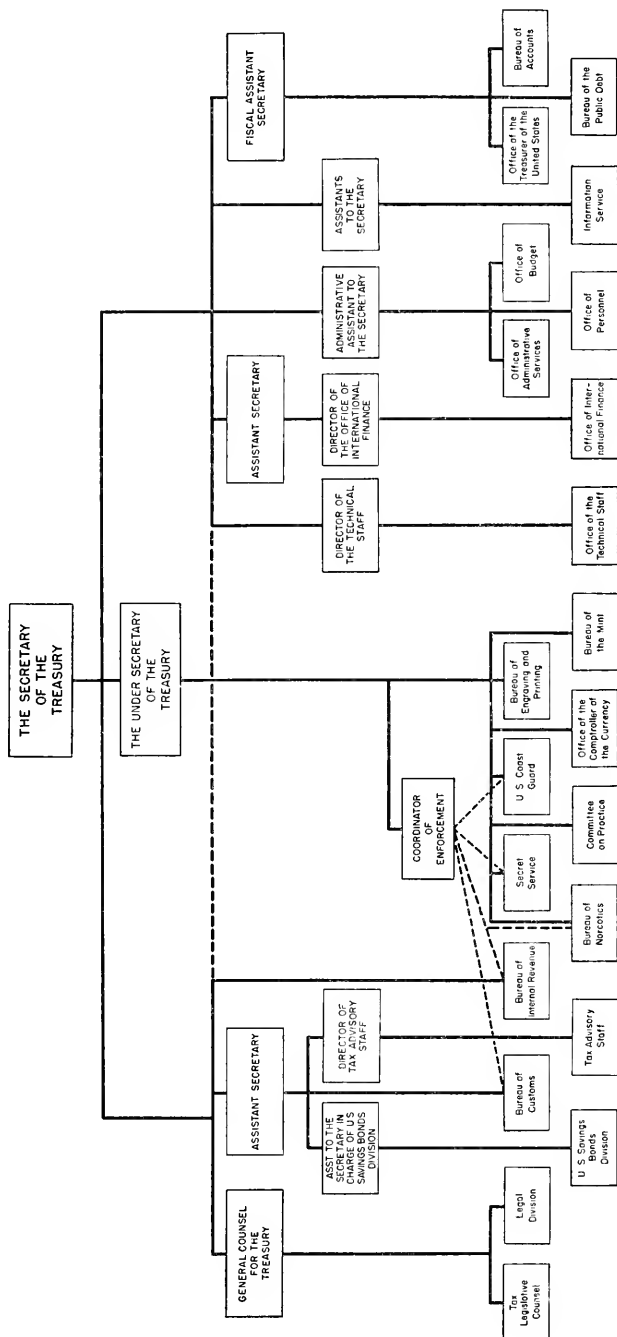
Edward F. Bartelt.....	Chairman.
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FAIR EMPLOYMENT OFFICER

James H. Hard II

November 15, 1949

CHART 1.



ANNUAL REPORT ON THE FINANCES

TREASURY DEPARTMENT,
Washington, D. C., February 6, 1950.

SIR: I have the honor to report to you on the finances of the Federal Government for the fiscal year ended June 30, 1949.

During that year, and in the six months which have elapsed since the close of the fiscal year, our Nation achieved a goal which many had thought impossible at the end of the war. That goal was a change-over from an economy of shortages to an economy characterized by ample supplies and competitive business activity, without serious dislocations in industry and trade.

The importance of this achievement can scarcely be over-emphasized. In our own country, it has furnished renewed evidence of the solid foundations on which our economy is built. And in the friendly nations of the world which look to us for leadership, it has been the source of new faith in the ability of democratic nations everywhere to resist aggression.

The Treasury's fiscal policies—it is important to note—have played a vital part in the smooth functioning of the Nation's business and financial system during the difficult postwar period of reconversion and readjustment. The separate annual reports of the Treasury Department cannot give an adequate picture of policies and programs extending over a period longer than a single year. At various times in the past, therefore, the Treasury has included a longer-term review in its annual report to the Congress. In view of the importance of Treasury policies and operations in the postwar period, and because of the considerable discussion which has taken place in recent months regarding Government reorganization, the present time appears to be particularly appropriate for again including such a review in the Treasury's annual report to the Congress. This review, entitled "Summary Report of Treasury Activities June 25, 1946–October 31, 1949", will be found immediately after this letter of transmittal.

Before going into either of these more detailed discussions, however, I should like to summarize, first, the economic developments which have affected the Nation's finances during the past 18 months; and

second, our public debt position and important aspects of our foreign financial policy during the fiscal year 1949.

RECENT ECONOMIC DEVELOPMENTS

Many changes have taken place in our economy in the year and a half which has elapsed since June 30, 1948. In the first half of the fiscal year 1949—coinciding with the last six months of the calendar year 1948—the Nation reached new heights of prosperity. Personal and business incomes continued to expand during that period, and operations in most branches of industry, agriculture, and trade continued at a very high level. Nevertheless, certain essential supplies, including some of the basic materials needed in manufacturing, continued to fall short of demand. This situation had characterized our economy throughout the postwar period. It was the result, in large part, of restrictions on production for civilian purposes during the war years, followed by a period in which industry was obliged to convert its operations from a wartime to a peacetime basis.

Prior to the period of war and postwar shortages, the abundant resources of our country, together with the skill shown by American business in developing methods of mass production, had made the American economy one of plenty, rather than scarcity. Before the end of 1948, there was growing evidence that a return to normal conditions of plentiful supply was not far off. During the calendar year 1949, most shortages did in fact disappear. In nearly all important markets—primary, wholesale, and retail—the competition for goods eased off as buyers became convinced that the supplies of things for sale were no longer apt to run out before new orders could be filled.

In the early months of the calendar year 1949, this situation was viewed in many quarters as a signal for retrenchment. In the areas where a shift from sellers' markets to normal competitive markets occurred, inventories were reduced and new orders to wholesalers and manufacturers were cut back in line with expectations of a lower level of sales. These developments, in turn, led to some slowing down in the rate of factory output and to some reduction in employment.

As the year progressed, however, it became more and more evident that the ultimate consumers of the Nation did not take a pessimistic view of the economic outlook. The high volume of retail sales during 1949 was unmistakable evidence of people's confidence in the economic situation and in their own future. Month after month, the consumers of the Nation showed practically no tendency to curtail their buying. Before the end of the summer, continued high retail sales led many businessmen to rebuild their depleted stocks in line

with the determination of the Nation's consumers to keep on buying. This reversal of trend had a stimulating effect on industrial output after mid-summer. By the end of the calendar year 1949, it was generally agreed that business in the Nation as a whole had safely gone through a readjustment to buyers' markets and had resumed its long-term economic progress.

The confidence which the people of this country have continued to show in their economic future and in that of their Nation is significant because it is based on a realistic appraisal of the elements of strength in our present situation. During recent years, the economic environment in which people make their decisions on spending and saving has changed radically. Most families today act in the knowledge that incomes are less subject to fluctuation as a result of dislocations in the economy than ever before. The strength of the Nation's banking and financial system, which has ministered successfully to the needs of our economy during every phase of our return to normal peacetime activity, is a further source of confidence. And, finally, the financial policies of the United States Government, including the Treasury's debt management program, have been a bulwark of financial and economic strength throughout the war and postwar periods.

The confidence of our citizens in the future has been strongly supported also by the large volume of savings which people have continued to hold. Liquid assets of individuals in the form of cash, bank deposits, savings bonds, and other readily available funds stand at the record level of approximately \$200 billion. This large backlog of savings is evidence of the continued strong cash position of the Nation's families, despite the heavy outflow of expenditures for housing and other durable consumer goods which has been going on throughout the postwar period.

All in all, business records now available for the calendar year 1949 make it clear that the readjustments which took place last year in various sectors of the economy were accomplished without affecting adversely the rate of activity in the country as a whole. Certain industries and localities, of course, felt the impact of the readjustments more severely than others. New England, for example, with its heavy output of textiles, machinery, and leather products, was one of those most seriously affected. In most of these areas, however, the reversal in the business trend during the latter half of the calendar year led to an upturn in employment. Figures for the calendar year 1949 show that the broad measures of our national economic welfare, such as incomes, employment, and retail trade, held close to the high levels of 1948. According to current estimates, personal incomes last year almost fully equaled incomes in 1948. Total

employment in manufacturing, trade, agriculture and other civilian occupations during the calendar year 1949 averaged less than 2 percent below the previous year's figure. And the volume of retail sales, when adjusted for price changes, was actually greater during 1949 than in the preceding year.

PUBLIC DEBT

On June 30, 1949, the Federal debt amounted to \$252.8 billion. In a prosperous peacetime period such as the fiscal year 1949, our Federal revenue system should yield enough funds to pay for current expenditures and leave a surplus which could be applied to reducing the debt. This is the position which I have consistently taken since becoming Secretary of the Treasury in June 1946. In the fiscal year 1948, I was able to report a budget surplus of \$8.4 billion—the largest in the history of the country—following a budget surplus in the previous year of \$.8 billion. In the fiscal year 1949, however, the Nation incurred a budget deficit of \$1.8 billion.

The major reason for the failure of Federal revenues to produce a budget surplus in 1949 was the tax reduction bill which was passed over the President's veto by the 80th Congress in April 1948. This bill resulted in a loss of revenue of approximately \$5 billion annually.

The 1948 tax reduction was particularly untimely because of the large outlays which have continued to be necessary for purposes of national defense. While we are not now engaged in a war, we cannot consider the present period a normal peacetime period. Over seventy percent of the Government's current expenditures, as the President pointed out in his State of the Union Message on January 4, 1950, is needed to pay the cost of past wars, to keep the Nation's defenses strong, and to further the cause of world peace. The fiscal recommendations outlined by the President in the Budget Message which was presented to the Congress on January 9, 1950, included proposals for reduced expenditures and some increase in taxation which would—in the words of the President—" . . . support the extraordinary responsibilities of the Federal Government, both at home and abroad, and at the same time meet our obligation to pursue a policy of financial prudence and restraint. Such a policy," the President continued, "must be directed at producing a surplus as soon as possible under favorable economic conditions."

While the trend of the debt is determined by the relationship established by the Congress between Federal revenues and Federal expenditures, the Secretary of the Treasury is charged with the direct responsibility for maintaining confidence in the credit of the United States. This responsibility entails managing the public debt in such a way as to promote the financial health of the Nation's economy.

The Treasury's primary objective in furthering this aim has been the wide distribution of the debt among the individual citizens and business concerns of the Nation. With a debt the size that ours is now, representing more than one-half of all the debt of the country—both public and private—the policy of widespread ownership of Federal securities has resulted in large Government security holdings on the part of all the major investor classes.

At the end of the fiscal year 1949, financial corporations—commercial banks, savings banks, and insurance companies—had from one-fourth to one-half or more of their assets invested in Federal securities. Nonfinancial corporations had more than 10 percent of their current assets in this form. Individuals had Government security holdings of \$69 billion, accounting for approximately one-third of their total liquid assets of about \$200 billion.

These figures make it clear that the Treasury's debt management policies play a crucial role in the financial and economic life of the entire country. In consequence, the Treasury has a definite responsibility for planning its security issues with a view to the particular investment needs of the various classes of Federal security holders. This consideration, together with the broader objective of promoting the financial well-being of the Nation's economy, has governed the Treasury's course of action throughout the postwar period. Decisions such as those relating to interest rates and to the marketability and date of redemption of new Federal issues—as well as policies affecting the market for outstanding obligations—have all been shaped with the requirements of the Nation during a period of return to normal peacetime activity constantly in mind. A comprehensive review of the specific policies which the Treasury has pursued during the past three years with respect to both Federal financing and the Government securities market will be found on pages 11 to 20 as a part of the discussion of Treasury activities between June 25, 1946, and October 31, 1949, referred to above.

FOREIGN FINANCIAL POLICY

During the fiscal year 1949, the National Advisory Council on International Monetary and Financial Problems, of which the Secre-

tary of the Treasury is Chairman, coordinated the foreign financial operations of Federal agencies and advised the United States representatives on the International Bank and the International Monetary Fund on the principal financial problems relating to the policies and operations of these institutions. The Council also considered the financial aspects of the program outlined in Point IV of the President's Inaugural Address of January 20, 1949. This program had as its goal the promotion of economic growth in underdeveloped areas through technical assistance from the United States, through the fostering of United States private investment, and, when appropriate, through loans from international and United States Government agencies. Particular consideration was given to proposals for encouraging private investment in foreign countries. All of these activities of the Council were in discharge of its statutory responsibilities and obligations.

The first year of the European Recovery Program, for which the Congress had provided approximately \$5 billion, was completed in April 1949. With American financial assistance to complement their own individual and cooperative efforts, the participating countries, in general, achieved substantial gains in production. Many of them also made appreciable progress toward the attainment of internal financial stability. It was evident, however, that great difficulties would still have to be overcome if the objectives of the program were to be attained. To provide for the continuance of the program, the Congress authorized a total of approximately \$5.6 billion to cover the needs of the April-June quarter of 1949 and the fiscal year 1950.

In the past fiscal year, the United States carried on a number of foreign assistance programs other than the European Recovery Program. From appropriations amounting to \$2 billion which had been voted in June 1948, provision was made for government and relief in occupied areas, for economic and military assistance to China, for military aid to Greece and Turkey, and for contributions to the International Refugee Organization and to the International Children's Emergency Fund.

The International Bank for Reconstruction and Development made a number of loans for productive projects in Brazil, Mexico, Belgium, and the Netherlands. The International Monetary Fund continued work on the monetary and exchange problems, the solution of which is essential if we are to have a healthy and expanding world trade. The Export-Import Bank extended credits for development purposes to Israel, Canada, Finland, Liberia, and ten Latin American countries.

As in the case of the Treasury's debt management policies and

objectives, a review of the Treasury's part in the Nation's foreign financial programs during the past three years will be found at a later point in this report (pages 24 to 34).

ORGANIZATIONAL IMPROVEMENTS

A review of the principal administrative advances which have taken place in the Treasury Department during the past three years is presented as a part of the longer-term review of Treasury policies and programs, referred to above, beginning on page 35 of this report.

JOHN W. SNYDER,
Secretary of the Treasury.

TO THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SUMMARY REPORT OF TREASURY ACTIVITIES
JUNE 25, 1946–OCTOBER 31, 1949

Management of the public debt

Tax policy

International finance

Administrative management of operating bureaus

SUMMARY REPORT OF TREASURY ACTIVITIES JUNE 25, 1946— OCTOBER 31, 1949

As has been indicated in the letter transmitting this annual report to the Congress, it seems appropriate—in view of the important period in the country's affairs through which we have just passed, and because of the considerable interest in Government reorganization in recent months—to summarize at this time the activities of the Treasury Department over a longer period of time than is generally covered in the separate annual reports.

When Secretary Snyder took office on June 25, 1946, the country was confronted with momentous problems, both on the domestic front and in the international area. Many of these problems had a direct and determinative bearing on the conduct of Treasury affairs. Because of the preeminent financial position of the United States Government, the policies and operations of the Treasury Department were significantly tied in with the solution of the country's problems.

In the period from June 1946 through October 1949, the Nation enjoyed a remarkable period of prosperity, with the highest levels of production and employment in its peacetime history—despite the magnitude of the problems which were encountered. During the first part of this period, strong inflationary pressures prevailed. More recently, the country met and safely passed a period of inventory readjustment, which completed the shift to normal competitive markets. Now, the economy is on a more even keel than at any time since the end of the war, with bright prospects for the future.

This report, accordingly, describes the major policy-determining developments and the principal administrative advances which have taken place in the Treasury Department since June 25, 1946. The Secretary of the Treasury has four principal responsibilities: (1) management of the public debt; (2) tax policy; (3) international finance; and (4) the administrative management of the various bureaus. The report is divided into four main sections which describe developments in each of these four areas of responsibility.

MANAGEMENT OF THE PUBLIC DEBT

In June 1946, the country had only started the tremendous task of converting the economy from a wartime to a peacetime basis. Federal expenditures, which had raised the output of the country to the highest levels on record during the war years, had been cut back

sharply as soon as the war ended. In the fiscal year 1945, expenditures had been just under \$100 billion, and had accounted for nearly one-half of the gross national product; in the fiscal year ending June 30, 1946, they dropped to a little over \$60 billion. This prompt cut in the expenditures of the Federal Government after the close of the war was necessary and desirable; but it left the Nation facing the problem of replacing the production which had gone for war purposes with civilian production as rapidly as possible. There were many who felt that the reconversion could be achieved only after the country had experienced serious unemployment and severe economic dislocation.

POSITION OF THE PUBLIC DEBT IN JUNE 1946

Not the least of the economic factors which were causing concern was the size of the public debt. As can be seen from chart I, it had increased more than fivefold during the war years. The size was unprecedented, both in terms of the dollar amount involved and of the debt's relation to the economy of the country. The total public debt outstanding in June 1946 amounted to \$270 billion. It constituted 60 percent of all outstanding debt, public and private, which totaled \$446 billion. At the end of 1939, before the United States started its defense and war finance program, the total public debt

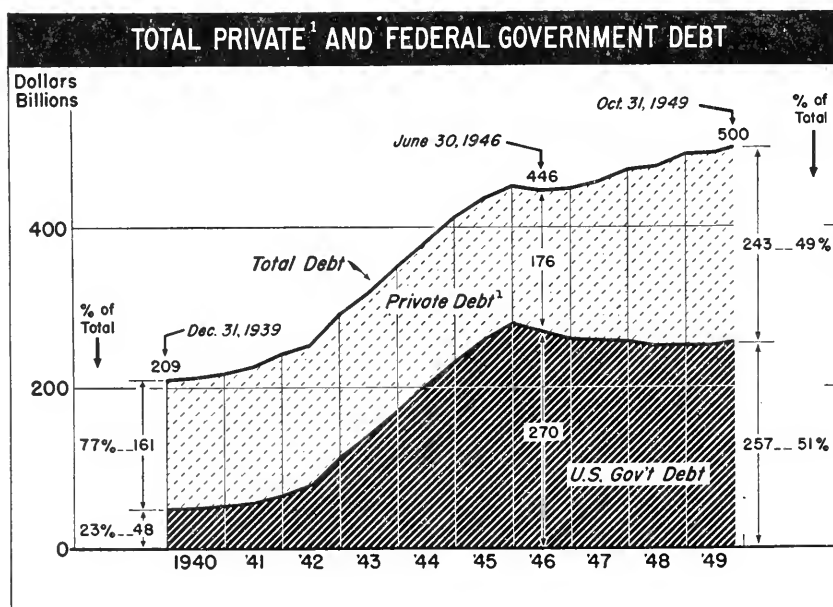


CHART I.

NOTE—Private debt figures estimated subsequent to Dec. 31, 1948.

¹Includes State and local debt and Federal agency nonguaranteed debt.

had stood at \$48 billion—this was only 23 percent of the entire debt of the country.

The public debt was widely held. The ownership of the debt on June 30, 1946, is shown in chart II, in which the debt is classified by type of holder. This broad ownership made it possible for the debt to play its part in the flexible fiscal policy which was necessary to promote economic stability in the postwar period. The particular composition of the debt was the result of conscious planning by the Treasury as a part of its policy of fitting Government securities to

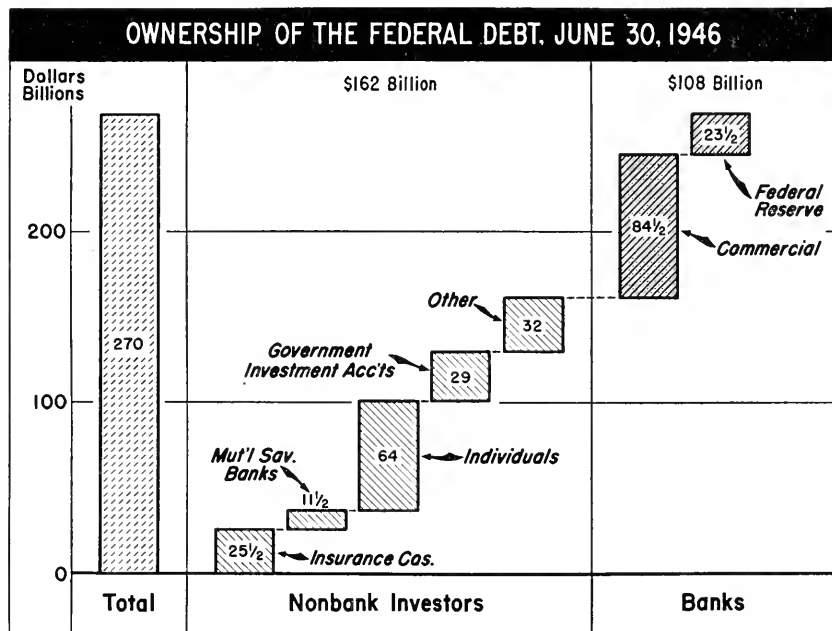


CHART II.

the needs of various types of investors. Practically all of the securities sold to commercial banks, for example, have been short-term, in order that bank portfolios would be kept highly liquid. This was essential if banks were to be in a position to finance reconversion needs. Business corporations likewise have been provided with short-term securities for the temporary investment of their reserve funds. Insurance companies and savings banks, on the other hand, held longer-term securities—largely with maturities over 10 years. Savings bonds were, of course, the principal type of Government security held by individuals.

At the same time that broad ownership of the debt contributed to easing the problems of debt management, it made good debt manage-

ment particularly vital, since every segment of the economy was affected.

Total Government security holdings of individuals, including marketable as well as nonmarketable issues, amounted to \$64 billion on June 30, 1946—a significant change from the situation prior to the war, when individuals owned only about \$10 billion of Government securities. Over \$43 billion of the Government securities held by individuals were in savings bonds. Other nonbank investors also held large amounts of Government securities. Financial institutions had a large proportion of their assets invested in the public debt issues of the Federal Government. For mutual savings banks, it amounted to \$11½ billion—about 64 percent of their total assets. All insurance companies—life, casualty, fire, and marine—held \$25½ billion of Government securities. Life insurance companies alone had holdings of \$22 billion, which was over 46 percent of their total assets. Federal agencies and trust funds, which are by law required to invest their accumulated funds in Government securities, held \$29 billion. Other nonbank investors, which include business corporations, State and local governments, and others, held \$32 billion.

The commercial banking system held \$108 billion of Government securities. Commercial banks held \$84½ billion of the total. This comprised 71 percent of their earning assets. The balance, \$23½ billion, was held by the Federal Reserve Banks.

THREE PRINCIPAL OBJECTIVES OF PUBLIC DEBT MANAGEMENT

It was obvious in June 1946 that the decisions made with respect to a public debt which amounted to \$270 billion, and which was interwoven in the financial structure of the entire economy, would significantly affect the economic and financial welfare of the country. It was essential, under these circumstances, that debt management be directed toward promoting and maintaining a stable and smoothly functioning economy. In the nature of things, it was necessary that the Federal Government exercise firm control of debt management as long as the debt remained so large and so important. In the course of formulating debt management policies, the Secretary of the Treasury consulted with advisory committees representing a cross section of American business, for an exchange of views and information. These consultations have been helpful in determining the soundest possible debt management policies. In the final analysis, however, the responsibility for these policies belongs to the Secretary of the Treasury and cannot be delegated.

The Treasury's debt management program has had three principal objectives: to maintain confidence in the credit of the United States

Government, to reduce the amount of the debt, and to reduce bank ownership of Federal securities and widen the distribution of the debt.

1. *To maintain confidence in the credit of the United States Government.*—The Secretary of the Treasury has many responsibilities; but his primary one is that of maintaining confidence in the credit of the United States.

It is for this reason that the maintenance of stability in the Government bond market has been a continuing policy since the end of the war. Stability in the Government bond market during the transition

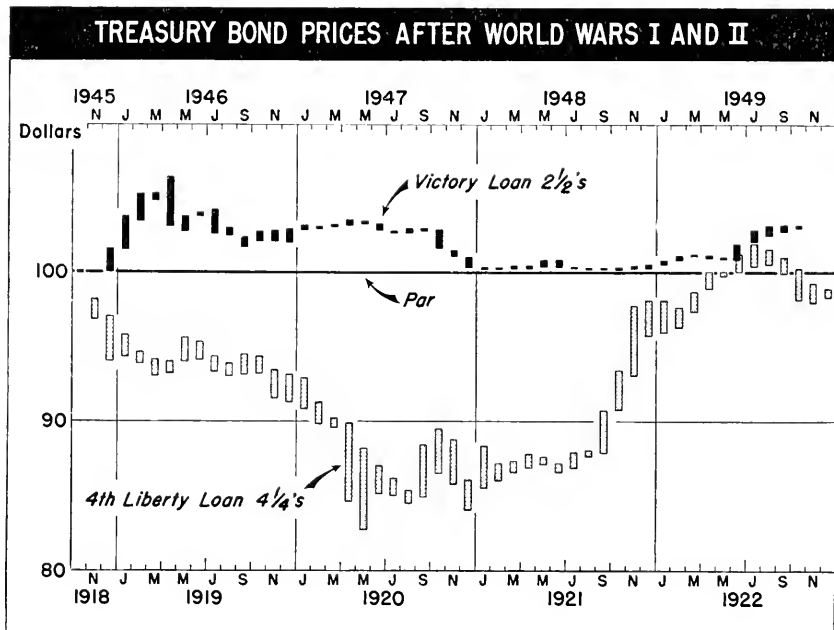


CHART III.

period has been of tremendous importance to the country. It contributed to the underlying strength of the country's financial system and eased reconversion, not only for the Government, but also for industrial and business enterprises. This is in marked contrast to the situation after the First World War, when the severe decline in the prices of Government securities contributed to the business collapse that occurred within two years after the war's end. Chart III shows the price history of the Victory Loan $2\frac{1}{2}$'s since they were offered in the Victory Loan at the end of 1945, and the price movements of the 4th Liberty Loan $4\frac{1}{4}$'s after World War I.

In maintaining stability in the Government bond market, it has been necessary at times to take steps to prevent too sharp a rise in Government security prices; and, at other times, declining prices

have been halted. Beginning in the spring of 1947, the Treasury took action to control an incipient boom in the Government bond market—by selling long-term bonds from some of the Government investment accounts, by offering the Investment Series of bonds to institutional investors, and by increasing short-term interest rates. All of these operations combined to take upward pressure off the market. When conditions changed, and a downward pressure on bond prices developed, the market was stabilized through purchases of long-term bonds. All of these actions were taken with a view toward promoting confidence in the Nation's business and financial structure and maintaining a high level of employment and production in the economy.

2. *To reduce the amount of the debt.*—In the statement which he made when he took office in June 1946, Secretary Snyder said:

" . . . It is the responsibility of the Government to reduce its expenditures in every possible way, to maintain adequate tax rates during this transition period, and to achieve a balanced budget—or better—for 1947."

During the fiscal year 1947, the Federal Government operated with a budget surplus amounting to \$754 million. In the following fiscal year, which ended on June 30, 1948, the Government again operated with a budget surplus. It amounted to \$8,419 million; and was the largest surplus in the history of the United States Government.

Starting in March 1946, the large cash balances that had remained after the end of the Victory Loan were applied to the reduction of the public debt. These balances were largely expended during 1946; and subsequent debt reduction was effected through pay-offs from the budget surpluses of the fiscal years 1947 and 1948. Chart IV shows the course of this debt reduction. At its postwar peak on February 28, 1946, the public debt stood at \$280 billion; in June 1949, it reached a postwar low slightly under \$251½ billion.

Unfortunately, largely because of tax reductions enacted by the Congress in 1948 over the President's veto, there is no longer a budget surplus. The fiscal year which ended on June 30, 1949, showed a budget deficit of \$1,811 million; and it is estimated that there will be a budget deficit of \$5.5 billion in the fiscal year 1950. As a result, by the end of October 1949, the debt had risen \$5½ billion from the June low; and stood at \$257 billion.

President Truman and Secretary Snyder both have stressed the importance of continuing debt reduction in years of prosperity such as have been enjoyed since the end of the war. This was one of the reasons why the President on three occasions vetoed measures reducing taxes at a time when the economic conditions of the country permitted continued retirement of the debt.

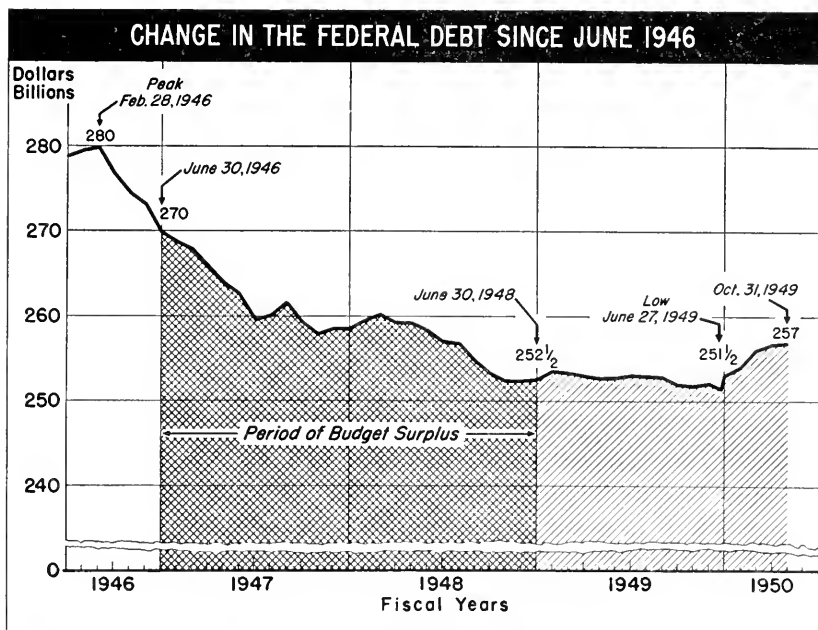


CHART IV.

3. *To reduce bank ownership of Federal securities and widen the distribution of the debt.*—Strong inflationary pressures existed during most of the postwar period. In order that debt reduction would have the greatest possible anti-inflationary effect under these circumstances, it was concentrated on debt held by the commercial banking system. The concentration of debt reduction in bank holdings was made possible because the Treasury's policy of fitting the debt to the needs of investors had placed a large volume of short-term debt in the hands of the banking system. The reduction in the public debt held by the commercial banking system has been actually greater than the reduction in the total debt, as is indicated in chart V.

The total public debt was reduced \$28½ billion from its postwar peak of \$280 billion, reached on February 28, 1946, to the postwar low of \$251½ billion in June 1949. During this same period, bank-held debt was reduced by approximately \$34 billion. This came about because the Treasury was able to increase the Government security holdings of nonbank investors—shown on the lower half of chart V. Funds from the sale of savings bonds and other nonmarketable issues to nonbank investors were available for the retirement of maturing issues of bank-held debt, in addition to the budget surpluses in the fiscal years 1947 and 1948. By the end of October 1949, the total amount of debt outstanding had risen to \$257 billion—an increase

of \$5½ billion from the low point reached in June. During this period, bank holdings increased approximately \$2 billion, so that the net reduction in these holdings from February 1946 through October 1949 totaled \$32 billion.

Because of the social and economic benefits of broad ownership of public debt securities, maintenance of the widespread distribution of the debt has been an essential part of the Treasury's postwar debt management policies. It has been one of the principal objectives in the continued promotion of savings bond sales by the Savings Bonds Division. Broad ownership of the public debt is good for the purchasers of Government securities and it is good for the country.

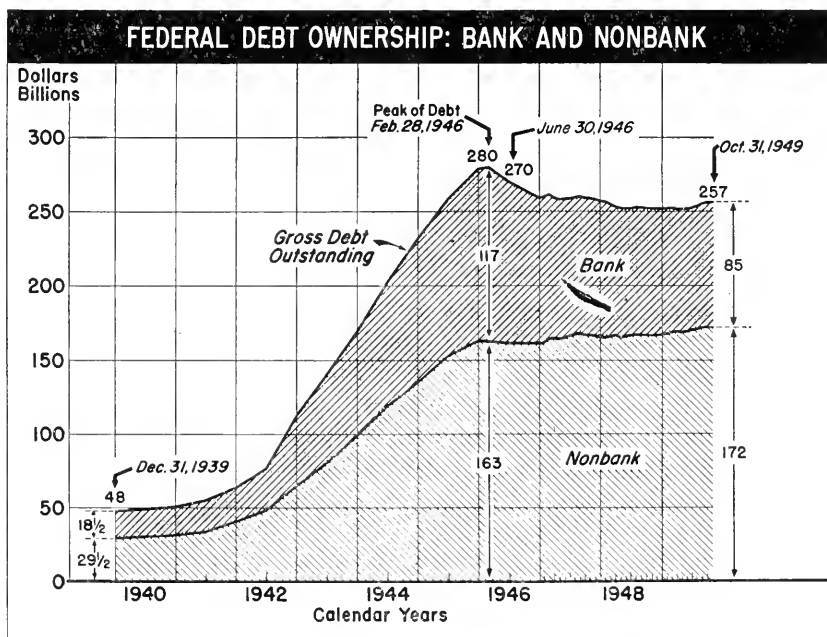


CHART V.

Another postwar objective of savings bond sales was to aid in combating the strong inflationary pressures which existed in the economy during a large part of the postwar period. The sale of savings bonds was a two-edged weapon against inflation. It took purchasing power directly out of the hands of consumers; and the funds obtained from the sale of savings bonds were available for the retirement of bank-held debt, thereby reducing the money supply to that extent.

The promotion of the sale of savings bonds also has been continued to encourage thrift. Thrift has played a vital part in the building

of our Nation; and, today, it is as important to our well-being as it has ever been in the past.

The total amount of savings bonds outstanding at the end of October 1949 was more than \$56½ billion, an increase of over \$7½ billion since June 1946. The success of the postwar savings bond program is especially notable since it was generally expected that a flood of savings bond redemptions would be one of the major debt management problems as soon as the war ended.

The sale of savings bonds has not, however, been at the expense of other types of savings. Individuals increased their holdings of Series E savings bonds by 9 percent from the end of 1945 through October 1949. But, in this same period, individuals increased their shareholdings in savings and loan associations by over 60 percent; their life insurance by 30 percent; their deposits in mutual savings banks by 25 percent; their savings accounts in commercial banks by 15 percent; their checking accounts by about 10 percent; and their postal savings accounts by about 10 percent. Of the various forms of liquid savings, only currency holdings in the hands of individuals declined.

HANDLING THE DEBT IS A DAY-TO-DAY BUSINESS

Achievement of the three specific debt management objectives has been attained through day-to-day handling of debt operations.

There is, for example, the matter of refunding maturing issues. This is one of the constantly recurring duties of the Treasury. There is a Treasury bill maturity each week. There are frequent maturities of certificates of indebtedness; and, in the past three years, there have been several note and bond maturities each year. In addition, there are savings bond and savings note maturities—and redemptions of these issues before maturity. The volume of refunding carried through each year has amounted to approximately \$50 billion—in itself a task of considerable magnitude. It exceeds the total of all security refunding engaged in by all other borrowers in the country during the past 25 years.

The interest cost of the debt to taxpayers must also be one of the considerations in debt management policies. It is estimated that the interest charge on the public debt during the fiscal year 1950 will be \$5.7 billion. This item represents over 13 percent of the Federal budget for the year. The cost is likely to grow over a period of time—in the absence of substantial debt reduction—because the rate of interest on savings bonds increases as the bonds are held to maturity, and because an increasingly large proportion of the debt represents the accumulation of trust funds invested at an average rate which is higher than the present average interest rate on the total debt.

A general rise in interest rates would bring about a further rise in the budget charge for interest payments. An increase of as little as $\frac{1}{2}$ of 1 percent in the average interest paid on the debt would add about \$1 $\frac{1}{4}$ billion to this charge. The Treasury was able to finance the last war at an average borrowing cost of less than one-half the borrowing cost of World War I. If this had not been done, the interest charge at the present time would be approximately \$11 billion, instead of \$5.7 billion. It is clearly evident that this \$5 billion saving in the taxpayers' money is a highly important factor in the budget picture of the Federal Government.

The Treasury must at all times adapt its debt management policies to changing economic conditions. The flexibility of Treasury policies is illustrated, first of all, by the actions which were taken in maintaining a stable Government bond market. It is also illustrated by movements in the short-term interest rate area. Short-term rates were permitted to rise beginning in mid-1947; when conditions changed, they were held steady—from the fall of 1948 until the summer of 1949; when conditions changed again, they were reduced starting in mid-September of 1949.

Flexibility in adapting Treasury policies to changing economic conditions has made it possible for Treasury activities to make a maximum contribution to economic stability. During the postwar period, the country has enjoyed a level of prosperity never before achieved in peacetime. National income has reached the highest level on record, and has remained near that level. Civilian employment likewise attained the highest peak in our history during the postwar period; and throughout 1949, there were nearly 60 million persons employed at all times. There is no doubt that the successful management of the public debt and the maintenance of a continued period of stability in the Government bond market contributed materially to the economic well-being of the country during this period.

TAX POLICY

Treasury tax policy has been designed to promote economic stability in the country, maintaining full production and employment. The Treasury has continuously urged the necessity of maintaining revenues at a high level during a prosperous period such as the country has enjoyed since the end of the war, in order not only to balance the budget and to finance necessarily large defense and international expenditures, but also to provide a substantial surplus for retirement of the debt. It was with these objectives in mind that the Treasury opposed tax reduction legislation in 1947 and 1948, and has given full support to the President's tax increase proposals.

TAX REDUCTION

In appearing before the House Committee on Ways and Means and the Senate Committee on Finance in the spring of 1947—when H. R. 1 was under consideration—after expressing confidence in the economic outlook for 1947, Secretary Snyder stated:

“Under the existing high national income, taxes at present levels can be paid with less hardship and less effect on business than would be possible under less favorable circumstances. High production was achieved in 1946 with present tax rates. I believe that we can go ahead in 1947 with the same general tax rates without any decrease in production.”

“. . . If we cut taxes too soon we shall probably find it impossible to reverse our action.”

H. R. 1 was subsequently passed by the Congress on June 3, 1947; but the untimely tax reduction was postponed by the President's veto of the bill. A similar bill, H. R. 3950, which was passed on July 13, 1947, also was vetoed.

The Treasury again strongly opposed tax reduction proposals in 1948, and reiterated the need for sound fiscal policies to cope with inflationary pressures and to reduce the public debt. Despite the opposition of the Administration, the Revenue Act of 1948, which reduced tax revenues by approximately \$5 billion annually, was passed by the Congress and enacted over the President's veto.

In January 1949, President Truman proposed a \$4 billion tax increase to the Eighty-first Congress. In his Budget Message, he stated that:

“In a period of high prosperity it is not sound public policy for the Government to operate at a deficit. A Government surplus at this time is vitally important to provide a margin for contingencies, to permit reduction of the public debt, to provide an adequate base for the future financing of our present commitments, and to reduce inflationary pressures. . . .”

The Treasury gave its unqualified support to this recommendation; and, when the Secretary of the Treasury appeared before the Joint Committee on the Economic Report in February 1949, he reasserted the importance of having a substantial Federal budget surplus in periods of prosperity to permit reduction in the public debt.

IMPROVEMENT IN THE TAX STRUCTURE

The Treasury also has taken the position that general tax reduction should be a part of a general revision of the tax structure. Intensive study has been given to ways of improving the tax structure, stressing the accumulation of inequities and other defects which have gradually

worked their way into the tax structure over a long period of years.

At the hearings in connection with the consideration of H. R. 1, Secretary Snyder stated that:

"... premature reduction of one tax, such as is proposed in H. R. 1, might make later achievement of a comprehensive revision of the tax system difficult or impossible."

"Even if tax reduction were now appropriate, the method of reduction adopted in H. R. 1 would not be equitable. The bill would give too little reduction to lower incomes and relatively too much to higher incomes."

The ultimate goals of the Treasury in the tax field were set forth in the statement which Secretary Snyder made on May 19, 1947, before the House Ways and Means Committee, in connection with its hearings on general tax revision. They included: (1) revenue adequacy; (2) equitable treatment of different groups; (3) minimum interference with incentives to work and invest; (4) maintenance of the broad consumer markets essential for high-level production and employment; (5) ease of administration and compliance; and (6) flexibility in responding to changing economic conditions, combined with structural stability to facilitate business and Government planning.

It was recognized that it was highly unlikely that the fiscal and economic situation would permit enactment of all of the ultimately desirable legislation at that time, but the need for advance planning to lay a sound foundation for future legislation was urged.

In 1948, the Treasury took the view that many technical revisions could be made to improve the tax system and its administration without substantial revenue cost. Certain proposals were made to the Chairman of the House Ways and Means Committee. A number of these were incorporated in a bill which passed the House in 1948, but was not considered by the Senate. Some of the proposals, relating principally to increasing the administrative efficiency of the Bureau of Internal Revenue, were resubmitted in 1949 and were enacted by the Congress. However, most of the technical revisions required in the tax system still remain to be enacted.

The Treasury also has supported legislation to repeal the tax on oleomargarine, but this legislation has not yet been enacted.

Detailed research studies on most of the major tax issues have been prepared in the Treasury Department, and have been made available to the Congress and the public. These studies are intended to acquaint those concerned with taxation with the varied and difficult considerations involved in revising the tax structure.

SOCIAL SECURITY TAXATION

The Treasury Department has supported the extension of the social security program and opposed restrictions in the coverage of the program. It has given detailed attention to developing plans for improvement in the techniques of payroll taxation. The Treasury opposed the legislation adopted by the Eightieth Congress, which removed certain occupations from social security coverage.

INTERNATIONAL TAX MATTERS

In the field of international taxation, Treasury policy has been directed toward promoting the Nation's economic interests, while furthering the broad aims of our foreign policy. The Treasury has negotiated tax treaties with a number of countries with a view toward minimizing international double taxation; and treaties with a number of additional countries are in various stages of negotiation.

The Treasury has participated actively in United Nations' fiscal matters. The Fiscal Assistant Secretary of the Treasury is the United States representative on the United Nations Fiscal Commission, and helped to launch the Commission at its first session in 1948.

In connection with the Ninth International Conference of American States held at Bogota in 1948, the Treasury prepared a document on taxation which served as instructions for American representatives at the conference. It outlined United States tax policy with respect to income derived abroad, and presented a program for possible revision. More recently, the Treasury has been actively engaged in cooperation with the State Department in developing ways and means of implementing the President's Point IV program by removing tax deterrents to foreign investments.

FEDERAL-STATE FISCAL COORDINATION

The Treasury Department has assumed an active role in developing machinery for the coordination of Federal, State, and local fiscal policies and practices. It has worked toward the development of a tax system which would eliminate conflicts, overlapping, and other faults of present policies. This requires the cooperation not only of the executive and legislative branches of the Federal Government, but also of the States and localities.

In April 1949, Secretary Snyder met with representatives of State and local governments and other Federal officials for the purpose of exploring some of the current intergovernmental fiscal problems. The conference discussed several issues of mutual interest. The Treasury agreed to take responsibility for developing, in cooperation

with other Federal departments, concrete proposals to implement the recommendations of the conference with reference to the problems which it had considered. Arrangements were made for State and local representatives to be in consultation with the Treasury's technical tax staff on a continuing basis.

Under this cooperative arrangement, recommendations are now being worked out with respect to: (1) a program for payments in lieu of taxes to State and local governments on federally owned real estate; (2) the application of State and local taxes to persons and businesses on Federal reservations; (3) methods for reducing tax administrative duplication between the States and the Federal Government; and (4) the coordination of Federal-State-local excise taxes.

INTERNATIONAL FINANCE

In June 1946, the United States faced highly important transition problems in the international financial field. During the war, it had supported its Allies on a large scale through lend-lease arrangements; it had provided civilian relief for liberated areas and for occupied enemy areas; and it had imported large amounts of goods from friendly powers in other parts of the world. All these operations provided the means of paying for large amounts of dollar goods for foreign use. Lend-lease disbursements alone were running at a level of \$14 billion per year in the latter part of the war. The termination of these wartime financial operations set the stage for a most difficult problem of international financial readjustment.

Prior to the war, chief reliance had been placed upon private capital markets for foreign lending. While, in World War I, the United States Government had financed Allied military operations in large part, and had rendered some assistance to the reconstruction process, its activities in the immediate postwar period were relatively restricted. After the Second World War, it became increasingly clear that, in the situation prevailing, the Government would have to play a more important role in the reconstruction and development of foreign countries. Foreign financial policy thus became one of the major responsibilities of the United States Government in a more direct sense than ever before.

During the war, despite the demands of immediate wartime problems, efforts had been made to look forward to this postwar problem; and the Conference at Bretton Woods in 1944 had resulted in an agreement to set up two international financial institutions, the International Monetary Fund and the International Bank for Reconstruction and Development. The first annual meeting of the Boards of Governors of each of these organizations was held in Washington

in September–October 1946. The Secretary of the Treasury, as United States Governor of the Fund and of the Bank, presided at these meetings. The Export-Import Bank had received an increase in its lending authority from \$700 million to \$3.5 billion to assist in the postwar program, and beginning in the fiscal year 1946 made some significant loans to our former Allies. The Anglo-American Financial Agreement had been approved in 1945; and under this Agreement the sum of \$3,750 million was made available to assist the United Kingdom through the postwar transition period. Thus, determined and serious efforts were being made to deal with the problem of restoring a functioning international financial system among the democratic countries. A principal responsibility of the Secretary of the Treasury in the international area has been to continue to coordinate and develop our foreign financial policy in order to deal with a problem which has proved more difficult than was anticipated, and which has been vastly complicated by the widening political gulf between the East and West with its inevitable world-wide economic repercussions.

SUMMARY OF THE PRINCIPAL RESPONSIBILITIES OF THE
SECRETARY OF THE TREASURY IN THE INTERNATIONAL FIELD

The Secretary of the Treasury, in various capacities, takes a leading part in the shaping of our foreign financial policy. His functions include: (a) coordination of United States foreign financial policy, (b) direct administrative responsibilities, (c) financial advice to other governmental agencies, and (d) maintaining relations with foreign financial officials.

(a) *Coordination of United States foreign financial policy.*—The National Advisory Council on International Monetary and Financial Problems was set up as a statutory body under the Bretton Woods Agreements Act in 1945, and given the responsibility for coordinating the various agencies dealing with problems in this field. In addition to the Secretary of the Treasury as Chairman, the Council membership at present includes the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Board of Directors of the Export-Import Bank, and the Administrator for Economic Cooperation. The Council holds frequent meetings to review and to make decisions on matters presented to it by the agencies directly responsible. The United States representatives on the Executive Boards of the International Monetary Fund and the International Bank regularly attend the meetings of the Council so as to be continuously informed of the Government's views on questions which may come before the policy boards of the two international organizations, where they cast the United States votes.

(b) *Direct administrative responsibilities.*—The Secretary of the Treasury has direct responsibility for conducting the operations of this Government under the Gold Reserve Act of 1934. Throughout the past three years, there have been numerous and varied demands for manipulation of the dollar in terms of gold. While most of these have never assumed serious proportions, they have required frequent attention and have led the Secretary to explain to the public of this country and to foreign countries the basic principles of our gold policy. Secretary Snyder has repeatedly affirmed his steadfast adherence to the principle of a stable value of the United States dollar in terms of gold at \$35 per ounce.

The foreign transactions in gold of the United States Government are carried out through the United States Stabilization Fund. This Fund also is used for special bilateral stabilization agreements in cases where the United States has a special concern in assisting in the stabilization of exchange, as in the case of the present agreement with Mexico.

The Secretary of the Treasury serves as the United States Governor on the Boards of Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development. The Boards of Governors are vested with the final authority over the policies of these institutions, subject to the limits imposed by the Articles of Agreement which have been ratified by the governments of the members.

The Secretary of the Treasury also has been given direct administrative authority under the Anglo-American Financial Agreement, which provided for the largest single loan extended by the United States since the war. This Agreement provides for continuing consultation with the United Kingdom and sets up certain objectives of international monetary cooperation.

(c) *Financial advice to other governmental agencies.*—The Secretary of the Treasury, as chief fiscal officer of the Government, advises the President and other officials of the Government on international financial questions. For example, the Treasury has advised the State Department and what is now the Department of Defense with respect to technical and operating problems in the former enemy areas of Germany, Japan, and Austria. The range of financial problems confronted in Germany is illustrative.

At the beginning, detailed arrangements had to be worked out for a sharing of financial responsibilities among the occupying powers, for the financing of the occupation costs to be levied upon the German economy, and for governing the financial relationships between occupying personnel and the German population. In view of the scarcity of foreign-exchange resources to support the divided and truncated

German economy, detailed exchange regulations had to be formulated and carefully administered. A new central bank had to be established to perform the function of issuance of the currency and to serve as fiscal agent. As the occupation proceeded, it became apparent that a reform of the currency was required. As a result of this reform, incentives to private effort were restored, black markets were largely eliminated, and hampering controls over prices and distribution of goods were reduced to a minimum. It was then possible to simplify German exchange procedures.

Unique financial problems arose in Berlin. When the Western Allies reformed the currency in their zones of Germany, the Russians took coordinate action in their zone. Since Berlin was a quadripartite city, special financial measures were required. Protracted negotiations were conducted with the Russians, and extensive procedures were carried on under the auspices of the United Nations in an effort to resolve this problem. In addition, the peculiarly distressed position of Berlin, arising chiefly out of the fact that it is no longer the seat of government and that its population can no longer be employed in governmental functions and has few other employment opportunities, has presented continuing financial difficulties of the most complex nature.

(d) *Maintaining relations with foreign financial officials.*—In the course of his duties, Secretary Snyder has maintained close contact with the Finance Ministers and heads of central banks in many foreign countries. This has involved several trips to Latin American and Western European countries in order to obtain first-hand official information on their foreign financial problems; and the occasions of meeting the officials of the foreign governments in Washington have been used to develop support for the financial and economic objectives of this Government. In addition to the Secretary's visits abroad and his contacts through the annual meetings of the Boards of Governors of the International Monetary Fund and the International Bank, the Treasury Department is in constant touch with the Finance Ministers of other countries through our diplomatic missions abroad. These contacts are made closer by the assignment of Treasury representatives to assist the United States missions in major centers on financial matters.

In the course of a survey of Western European countries in July 1949, Secretary Snyder met with the British Chancellor of the Exchequer and the Canadian Minister of Finance in London to initiate consultations between the three governments relative to fundamental financial objectives. These conversations were continued in Washington early in September. A number of lines of inquiry were developed looking toward mutual efforts to facilitate progress toward fundamental

balance in the relationships of the dollar and sterling areas. These lines of inquiry are being explored further through normal contacts of the three governments.

At the same time, there is continuous study and consultation of world exchange problems in the Board of the International Monetary Fund. In the International Bank, the varied problems associated with development and reconstruction are under constant study and review. The Treasury has given support to the development of these institutions as international instruments for promoting cooperation in these fields.

THE TREASURY AND MAJOR DEVELOPMENTS IN INTERNATIONAL FINANCIAL POLICY, 1946-1949

In June 1946, the Government was terminating its wartime financial arrangements and assisting in the immediate relief problems left by the conflict. This had involved the termination of lend-lease and the settlement with Allied governments of mutual claims arising from the war. The United States had participated in the first relief program under UNRRA, and attention was being focused on reconstruction and the restoration of international financial relationships, assisted by credits from the United States Government. Special relief programs were being administered by the Army for Germany, Japan, and Korea. During the fiscal year 1947, the total assistance extended by the United States amounted to about \$6.2 billion, compared with \$5.5 billion in the fiscal year 1946, and \$15.6 billion in the fiscal year 1945. About \$2 billion of the \$6.2 billion of assistance extended during the fiscal year 1947 took the form of grants, under UNRRA programs or relief operations in occupied territory. To supplement these grants, foreign countries drew upon credits from the Export-Import Bank in the amount of more than \$1 billion, and very heavy drawings amounting to more than \$2 billion were made on the special loan extended to the United Kingdom. Surplus property credits and other minor programs accounted for the remainder.

During this period, the National Advisory Council also was active in the problems associated with the organization of the International Monetary Fund and the International Bank for Reconstruction and Development as functioning international organizations.

As the year 1947 progressed, however, it became increasingly apparent that reconstruction and rehabilitation in foreign countries would require more time and prove costlier than had been hoped previously. The strain of adjustment was too great for many of the countries which had suffered from the war, without an additional breathing space. This was most clearly evident in the experience of

the United Kingdom, which was forced to use the proceeds of the Anglo-American Financial Agreement much more rapidly than anticipated. It became necessary, therefore, to take some action when the United Kingdom proposed to postpone steps toward the restoration of sterling as a convertible currency. Since the Secretary of the Treasury was charged by Congress with the responsibility for carrying out the provisions of the Agreement, he conferred with the heads of the British Government as to the measures which they felt essential to conserve their dollar resources within the framework of the Agreement.

The United States Government, in consultation with the European countries, undertook the development of measures to deal with the immediate crisis of the winter of 1947-48, as well as a re-examination of the basic problems of postwar recovery.

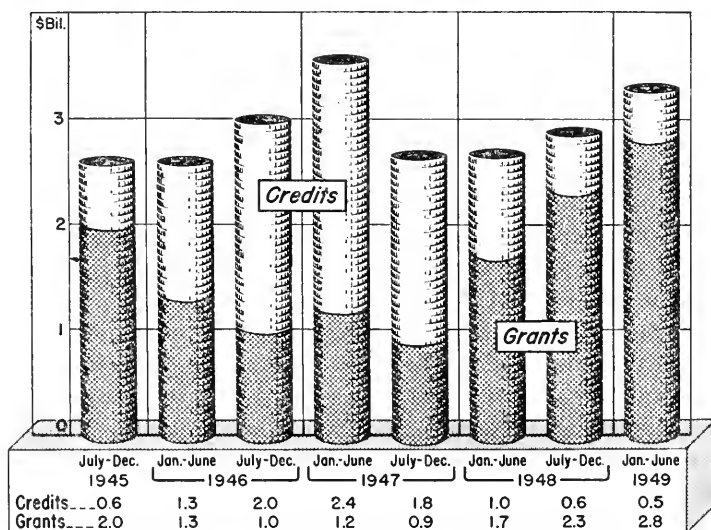
The initial attack was made through an interim-aid program of United States relief, and by measures designed to assist in the effective use of available dollar resources. In this latter connection, the Treasury assisted in expediting a division of the gold pool held by the Tripartite Gold Commission among those countries having claims to part of this pool, which was made up of gold seized from those countries by Germany. The Treasury also initiated the preparation of a census of the blocked dollar assets of European countries. Information from this census was supplied to governments receiving United States aid to help them in mobilizing the dollar assets of their nations as a means of assisting them in meeting their early dollar requirements.

In the meantime, the Marshall Plan for aiding Western Europe was being developed. This plan recognized the need for stretching over a four-year period the adjustments that the rest of the world had to make to the postwar situation. Its preparation involved the close cooperation of a number of agencies within the Government, and the development of a more precise and more detailed statistical program than had been attempted previously in connection with international transactions. Discussions in the National Advisory Council resulted in the development of the financial aspects of the program. For example, the Council reviewed the appropriate relationship between loans and grants in the program, and also reviewed the procedures adopted in arriving at the amount of assistance required. Secretary Snyder appeared before congressional committees early in 1948 to present the views of the Council on these questions.

International financial operations of the United States Government in 1946-49 are shown in the material presented in charts VI, VII, and VIII and tables A and B; in addition, the dollar assistance

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE

Total Utilized, July 1, 1945 to June 30, 1949

Grants and Credits
BY RECIPIENT

(In Billions of Dollars)

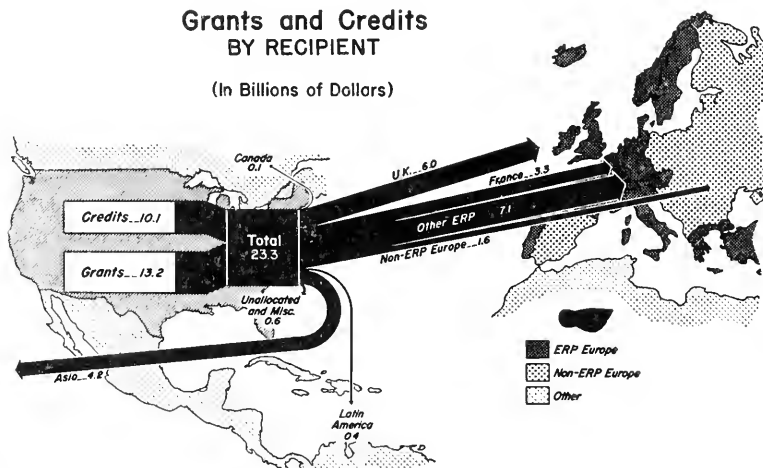
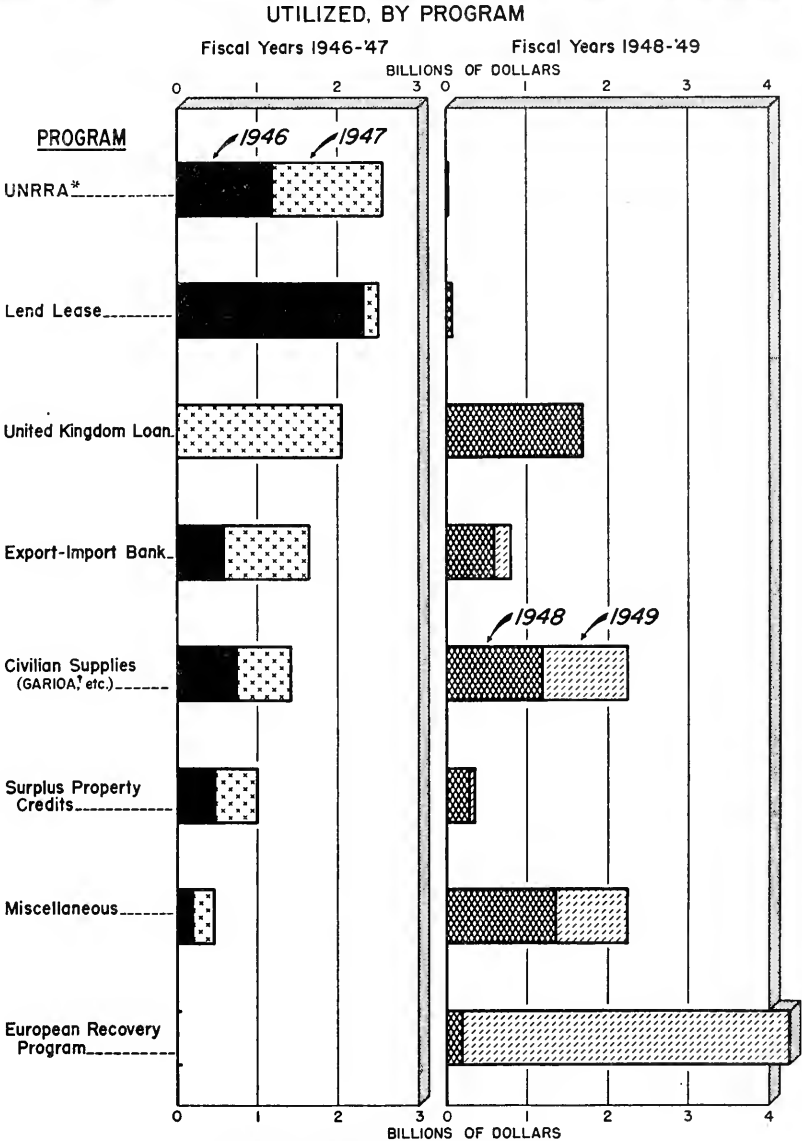


CHART VI.

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE

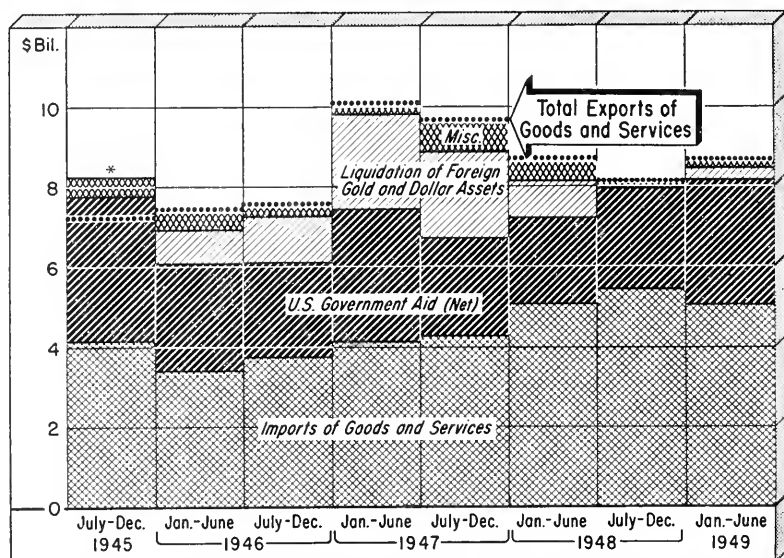


* United Nations Relief and Rehabilitation Administration.
† Government and Relief in Occupied Areas.

CHART VII.

FOREIGN AID IN THE U.S. BALANCE OF PAYMENTS

July 1, 1945 to June 30, 1949, Semiannually



* The means of financing shown for the period July through December 1945, exceed exports by \$1,078,000,000, which represents the net foreign acquisition of dollar assets and purchases of gold from the United States.

CHART VIII.

rendered to foreign countries by the International Fund and Bank is shown in table C. The wide variety of operations in this field, and the number of agencies which have been responsible from time to time for United States expenditures, indicate the scope of the coordinating responsibilities of the National Advisory Council.

TABLE A.—Summary of United States foreign grants and credits utilized, by program, and investments in the International Bank and Monetary Fund, fiscal years 1944-49

[In millions of dollars]

Program	Total fiscal years 1947-49	6 months 1-1-49 to 6-30-49	6 months 7-1-48 to 12-31-48	6 months 1-1-48 to 6-30-48	6 months 7-1-47 to 12-31-47	6 months 1-1-47 to 6-30-47	6 months 7-1-46 to 12-31-46	Total fiscal years 1944-46	Fiscal year 1946	Fiscal year 1945	Fiscal year 1944
Total grants and credits utilized.	17,880	3,380	2,927	2,655	2,734	3,353	2,831	37,777	5,462	15,611	16,704
Grants	9,980	2,850	2,319	1,797	898	1,093	1,023	35,140	3,282	15,277	16,581
Lend-lease											
Civilian supplies	2,916	440	628	707	474	434	233	31,973	1,213	14,340	16,420
European recovery	3,425	2,028	1,193	204				1,500	744	684	132
UNRRA	1,393										
Post-UNRRA	300	2	2	66	16	624	753	1,267	1,184	83	
Interim aid	558		24	522	12						
Chinese stabilization								260	120	140	
Chinese military assistance	104	32	72								
Chinese aid	180	84	95	1							
Greek-Turkish assistance	517	95	162	186	74						
Philippine rehabilitation	347	97	96	34	59	29	32				
Korean aid	11	11									
Refugee assistance	153	43	35	56	15	2	2	3		3	
International Children's											
Emergency Fund	58	16	9	18	15			47	11	17	19
Inter-American aid	18	2	3	3	3	4	3	130	10	110	110
American Red Cross											
Credits	7,900	530	608	858	1,836	2,260	1,808	2,637	2,180	334	123
Special British loan	3,750			300	1,400	1,450	600				
Export-Import Bank—loans and guaranties	1,898	108	107	322	276	553	532	685	558	57	70
European recovery	854	378	476								
Surplus property	867	26	20	213	77	116	415	474	474		
Lend-lease	240	2	2	16	30	160	1,429	1,099	277		53
Other credits	291	16	3	7	53	111	101	49	49		
Total paid to Fund and Bank	3,226					3,062	164	159	159		
Paid to International Monetary Fund	2,750					2,745	5	*	*		
Paid to International Bank	476					318	159	159			

*Less than \$500 thousand.

† Estimated.

SOURCE.—Clearing Office for Foreign Transactions, U. S. Department of Commerce; International Statistics Division, U. S. Treasury Department.

NOTES.—

Lend-lease accounts for the bulk of aid rendered during the war and its effect is to bring total aid during 1944-46 to more than twice that of the next three-year period. Lend-lease went principally to European countries and China.

Civilian supplies have been administered by the Army and Navy as aid to occupied areas, Germany, Austria, Italy, Japan, Korea, and the Ryukyus.

UNRRA—the United States Government contribution to UNRRA totaled \$2.7 billion out of a total UNRRA program of \$3.9 billion. UNRRA assistance went principally to European countries and China.

Interim aid—administered by the Department of State and the Economic Cooperation Administration under the act of Dec. 17, 1947 (Public Law 389, 80th Cong.). Assistance was rendered to Austria, France, and Italy principally during first half of 1948.

China—the stabilization grant of \$260 million was administered by the Treasury Department under the act of Feb. 7, 1942 (Public Law 442, 77th Cong.). Military aid to China was administered by the Executive Office of the President and terminated in April 1949. Chinese aid consists of grants administered by the Economic Cooperation Administration under the Economic Cooperation Program for China.

Greek-Turkish assistance under the act of May 22, 1947 (Public Law 75, 80th Cong.), was administered by the Department of State and included civilian as well as military aid.

Philippine rehabilitation—\$643.5 million has been authorized for:

(1) War damage compensation (private war damage claims);

(2) Transfer of excess army stocks;

(3) Restoration of public property and essential public services.

The total utilized through June 30, 1949, was \$347 million.

Korean aid for economic rehabilitation administered by the Economic Cooperation Administration.

The European Recovery Program (Economic Cooperation Administration) beginning in the first half of 1948 totaled, through June 1949, \$3,425 million in grants and \$854 million in credits.

Surplus property includes that aid rendered through the War Assets Administration, the Office of Foreign Liquidation Commissioner, and the Maritime Commission.

Lend-lease credits have resulted from lend-lease settlements including some goods on inventory and billings for some shipments since VJ-day.

Other credits—those granted by Department of Agriculture, the Army, Reconstruction Finance Corporation, and Department of State.

The amounts of counterpart funds made available to and expended by United States disbursing officers under the Chinese aid, the Korean aid, and European Recovery programs are included in the data for each of these programs as grant aid utilized by foreign countries.

TABLE B.—*Summary of United States foreign grants and credits utilized, by principal administering agencies, fiscal years 1944-49*

(In millions of dollars)

Agency	Total fiscal years 1947-49	6 months 1-1-49 to 6-30-49	6 months 7-1-48 to 12-31-48	6 months 1-1-48 to 6-30-48	6 months 7-1-47 to 12-31-47	6 months 1-1-47 to 6-30-47	6 months 7-1-46 to 12-31-46	Total fiscal years 1944-46	Fiscal year 1946	Fiscal year 1945	Fiscal year 1944
Total grants and credits utilized.....	17,880	3,380	2,927	2,655	2,734	3,353	2,831	37,777	5,462	15,611	16,704
Grants.....	9,980	2,850	2,319	1,797	898	1,093	1,023	35,140	3,282	15,277	16,581
Economic Cooperation Administration.....	3,616	2,123	1,288	205	-----	-----	-----	-----	-----	-----	-----
National Military Establishment.....	2,925	440	628	714	476	434	233	1,560	744	684	132
State Department.....	1,767	180	255	863	398	34	37	47	11	17	19
UNRRA.....	1,393	-----	-----	-----	16	624	753	1,267	1,184	83	-----
Lend-Lease.....	-----	-----	-----	-----	-----	-----	31,973	1,213	14,340	16,420	-----
Treasury.....	-----	-----	-----	-----	-----	-----	263	120	143	-----	-----
Other.....	279	107	148	15	8	1	30	30	10	10	10
Credits.....	7,900	530	608	858	1,836	2,260	1,808	2,637	2,180	334	123
Treasury.....	3,750	-----	-----	300	1,400	1,450	600	-----	-----	-----	-----
Export-Import Bank—loans and guaranties.....	1,898	108	107	322	276	553	532	685	558	57	70
Economic Cooperation Administration.....	854	378	476	-----	-----	-----	-----	-----	-----	-----	-----
Office of Foreign Liquidation Commissioner, War Assets, Maritime Commission.....	867	26	20	213	77	116	415	474	474	-----	-----
Lend-Lease.....	240	2	2	16	30	30	160	1,429	1,099	277	53
Other credits.....	291	16	3	7	53	111	101	49	49	-----	-----

SOURCE.—Clearing Office for Foreign Transactions, U. S. Department of Commerce; International Statistics Division, U. S. Treasury Department.

Notes.—

Economic Cooperation Administration—Includes the European Recovery Program, Chinese aid program, and Korean aid program.

National Military Establishment—Includes the program of civilian supplies to occupied areas and contributions for international refugee assistance.

State Department—The Post-UNRRA and Interim-aid programs are included under the State Department in this table although the administration of these two programs was transferred from the State Department to the Economic Cooperation Administration.

UNRRA—Shown separately, although the United States appropriation was handled through the State Department.

Lend-Lease—Listed as a separate agency but by Executive orders in September 1943 became a part of the Foreign Economic Administration; in September 1945 was transferred to the State Department; and at the end of May 1946 the fiscal operations were transferred to the Treasury Department.

Treasury—Includes the Chinese stabilization program and the War Refugee Board.

Office of Foreign Liquidation Commissioner, War Assets Administration, and the Maritime Commission—In addition to these agencies, \$20 million administered by the Army is included.

Other credits—Includes the Reconstruction Finance Corporation, Department of Agriculture, Army, and the Institute for Inter-American Affairs (State Department).

TABLE C.—*International Monetary Fund and International Bank dollar assistance to foreign countries, 1947-49*

(In millions of dollars)

	Total 1947-49	1949	1948		1947	
		1-1-49 to 6-30-49	7-1-48 to 12-31-48	1-1-48 to 6-30-48	7-1-47 to 12-31-47	1-1-47 to 6-30-47
Fund sales of dollars to member countries ¹	708.1	49.7	42.3	154.4	405.7	56.0
Bank dollar disbursements ²	519.8	26.7	29.0	164.2	207.9	92.0
Total.....	1,227.9	76.4	71.3	318.6	613.6	148.0

¹ United States quota \$2,750 million, of which \$687.5 million was paid in gold and \$2,062.5 million in dollars.

² United States subscription \$3,175 million, of which \$635 million was paid in dollars. The International Bank sold \$250 million of bonds in the United States.

ADMINISTRATIVE MANAGEMENT OF OPERATING BUREAUS

After Secretary Snyder had assumed office in June 1946 he adopted a program of increasing the efficiency of the working operations of the Treasury Department.

Management efficiency studies have been carried on within the Department, and management surveys of several of the bureaus have been made by private management engineering firms. In addition, the Treasury has placed considerable emphasis on its cash-awards-for-employees'-suggestions program and its work simplification program.

All of these efforts have been directed toward cutting costs, improving efficiency, and rendering better public service. The latter is of considerable importance in obtaining maximum compliance with the laws which the Treasury is required to enforce.

For the period covered by this report, the Treasury has made management savings totaling approximately \$56 million. This money, as indicated in the individual reports following, has been utilized to meet increased work loads, to reduce requested amounts to be appropriated, to strengthen the enforcement functions of some of the bureaus, to cover administrative costs of installing new procedures, and to meet operating contingencies of the bureaus.

BUREAU OF INTERNAL REVENUE

During the war the prime mission of the Bureau had been the collection of taxes to finance the war. When Secretary Snyder assumed office he was confronted with a tremendous organization which had continued to use prewar methods to do a job which had increased almost six times in size because of the war.

The problem was two-fold:

(1) Something had to be done to make the job of filing a tax return simpler for the millions of people who had begun during the war to pay taxes for the first time. Treasury forms had to be simplified and instructions to taxpayers clarified.

(2) Mass operation techniques had to be adopted by the Bureau. Before the war the Bureau had processed approximately 18 million returns and forms each year; after the war it was processing over 100 million returns and forms each year. It was believed that by modernizing the organization and procedure the work could be done more cheaply; and the money thus saved could be spent on front-line enforcement work. More returns could be audited and checked, more additional assessments could be entered on the books, and the tax evaders of the war years could be caught and penalized.

Program of taxpayer assistance.—To make the job of the taxpayer easier the Bureau of Internal Revenue undertook a broad program of

taxpayer assistance. Its aim was to reduce to the maximum extent possible the number of returns which were improperly or incompletely executed, for such returns resulted in costly correspondence, backtracking by the Bureau, delays, and annoyance to the taxpayer who sooner or later had to make corrective adjustments in his return.

The principal steps taken to make the taxpayer's job easier were these:

- (1) The Bureau simplified the more important return forms, and introduced Form 1040A, which is used by almost all taxpayers whose gross income is less than \$5,000 and derived primarily from salaries or wages subject to withholding.

- (2) The Bureau clarified the instructions which accompanied return forms. These instructions informed the taxpayer not only what he should report on the return, but what he had a legal right to deduct or omit from it. This was a new approach, and it has fostered cooperation and goodwill on the part of taxpayers.

- (3) The Bureau completely rewrote the booklet "Your Federal Income Tax" in order to make it a well-rounded statement of the individual income tax laws and regulations in nontechnical language. Formerly, taxpayers, lawyers, bankers, and others had to refer to unofficial sources for simple explanations of these matters. About 265,000 copies of the revised booklet were sold in 1949, and it was commented on very favorably by the public and the press.

- (4) The Bureau combined the form on which employers are required to report the social security insurance tax with the form used by them in reporting their withholding tax, thereby reducing the work for both the employers and the Bureau.

By these steps the Bureau made a real impact on the difficult problems confronting the taxpayer. With the new, simpler forms and the rewritten, easy-to-read instructions the taxpayer is able to execute a more complete and correct return, and to understand better his tax obligation to the Government.

Modernization of organization and procedures.—As the result of a continuing, well-planned, and determined attack on inefficient operating procedures, obsolete office practices, and outdated theories of administration, the Bureau has succeeded during the past three fiscal years in saving a cumulative total of 4,571 man years, or \$12.7 million on a recurring basis. During the fiscal year 1950 the Bureau will save 2,695 man years, or \$8.1 million, inclusive of recurring savings. These funds, totaling \$20.8 million, have been used and will be used to bolster field enforcement. During the four fiscal years, 1947-50, the new enforcement agents made available through these funds will have made additional tax assessments totaling about \$450 million.

Practically all of the savings have been effected by a continuing, comprehensive, and aggressive search for more efficient and more economical ways to perform and discharge major functions. These savings have not been realized at the expense of service to taxpayers, or of the Bureau's audit and investigatory work.

The accomplishments in the Bureau fall into five main categories, as follows:

(1) Mechanization of Collectors' offices.—The processing of nearly 200 million tax returns, information returns, reports, forms, and other documents each year is an operation that necessarily calls for the use of mass accounting and recording techniques. The Bureau has accordingly been conducting an energetic and systematic campaign to mechanize as many as possible of the operations performed in Collectors' offices in connection with these returns, etc. Included among the modern business machines which are either in actual use or under test in various offices are tabulating equipment, high-speed posters, electromatic typewriters, validators, bank proof machines, microfilming apparatus, and envelope-stuffing machines. Nearly all of these machines supplant operations formerly carried on by hand or by less modern and slower equipment.

(2) General organization and systems improvement.—This program has two purposes: first, to review the need for organizational changes in all segments of the Bureau's departmental and field structure; and second, to analyze and make necessary revisions in all major operations of a type to which the mechanization program has no direct application. Some of the more important accomplishments effected under this program are: (a) consolidation of the wage tax and excise tax work in Collectors' offices, with a resultant saving in personnel and handling costs; (b) beginning January 1, 1950, extension of the depositary receipt system of collection to the withholding and employment taxes, and later to the excise taxes; and (c) adoption of pre-assembled accounting forms for use in many of the Collectors' operations, resulting in savings of 25 percent in the costs connected with such operations.

(3) Work simplification and cash awards programs.—These, in a very real sense, are the individual employees' own management improvement programs. They represent an effort to train employees in the principles of work management and simplification so that they can apply those principles in their own day-to-day work and thus become active participants in the Bureau's over-all improvement effort. To date, the work simplification program has yielded 2,080 improvements which have been accepted and installed.

(4) Decentralization of routine work.—This program has for one of its objectives the shifting to the field of routine work being per-

formed in Washington. To the extent that the work requires the same number of man hours in the field as it did in Washington, no savings result except as to transportation costs and time. In a number of instances, however, it has been found that, once the work is split up into small segments, the field offices are able to absorb their share without additional personnel. In other instances, some duplication of effort was eliminated so that substantial net savings accrue from the shift. In still other cases, the shifts have had the effect of reducing time lags which, while not involving measurable expense, are certain to be costly in the long run either to the Government, to the taxpayer, or to both.

Typical of some of the improvements were the following:

(a) The survey, classification, and retention of all individual income tax returns are now the responsibility of field offices. The survey and classification work in connection with approximately 2½ million of these returns was formerly carried on in Washington.

(b) Practically all excise tax returns, numbering over 6 million per year, are now retained in Collectors' offices where, as a part of the Collectors' listing process, they receive an examination for correctness, which was formerly carried on in Washington.

(c) Responsibility for the adjustment of approximately 200,000 claims for refund of employment taxes on wages in excess of \$3,000 per year is also being transferred out of Washington to Collectors' offices.

(5) Audit control program.—The results of this program will not be apparent for at least another year, but it has potentialities for effecting substantial economies and better allocation of effort in the performance of the enforcement phases of the Bureau's work. The program, which is based on recognized sampling techniques, is designed to bring to light the most aggravated areas of noncompliance with the income tax laws, so the Bureau will be in a better position to deploy more effectively and more economically its audit and investigatory efforts. Also, this program should aid materially in raising the standards of voluntary compliance by taxpayers.

BUREAU OF CUSTOMS

During the war the program of the Bureau of Customs was directed toward enforcing laws and procedures related to exports, censorship, and other security measures. There was little opportunity to keep pace with new methods and techniques. After the war it became necessary to analyze the program and procedures to meet efficiently the continually changing postwar needs.

In addition to internal measures taken by the Bureau of Customs and the Treasury Department, Secretary Snyder, in the spring of 1947,

asked Congress for authority to use \$100,000 of the Customs appropriation to have a private management engineering firm survey the operations of the entire Bureau. Authority was granted, and this survey, completed in January 1948, was made the nucleus of a Customs management improvement program. This program has gained impetus as it has progressed. Private industry, foreign government representatives, and other Government agencies have been consulted with regard to improvements in Customs matters.

The "Steering Committee" directing this effort is composed of Customs headquarters and field officials and other Treasury officials. By bringing their experience to bear on Customs matters, it has been possible to secure a broader frame of reference for the resolution of Customs postwar problems.

Increase in work load.—Complicating this management improvement program was the fact that the work load was not static and that energy had to be directed to resolving current crises. Important work load components increased sharply between the fiscal years 1947 and 1949. The number of entries, for example, had risen from 3.4 million to 3.9 million, an increase of 14 percent. Samples tested by laboratories had risen 21 percent, invoices processed, 19 percent. Tabulations revealed that an over-all average increase of major work load items approximated 10 to 15 percent.

Direction and scope of program.—The management improvement program has been directed into five major areas: (1) trade agreement activities; (2) aids to trade; (3) procedure simplification; (4) public educational aid; and (5) other management control measures.

So successful has the program been that even though the work load has increased about 10 percent since 1947, Customs employment has been reduced by about a similar percentage during this period.

The "savings" under the program include not only savings of cash but savings of manpower which was transferred elsewhere in the Bureau to meet the increased work load. Savings are projected from year to year during the period considered to reflect the cash outlay which would have been required to operate the Customs program if these improvements had not been made. The summary figures which follow, as well as the detailed data, are on this basis.

In the fiscal year 1948 the Bureau program saved a total of \$472,500. By 1949 the program had gained additional impetus, and savings totaled \$1.1 million. In 1950 the Bureau will record estimated management savings of \$1.6 million. The three-year total for the program will be approximately \$3.2 million.

In addition to handling more work at reduced manpower expenditure, service to the public has been improved, with a resulting im-

provement in public relations. The major areas of accomplishment are discussed in the following paragraphs.

(1) Trade agreement activities.—Customs participated in the Havana and other trade agreement conferences. Together with other Government agencies, studies have been made of the commitments entered into under the International Trade Organization, should we accept membership, and under the General Agreement on Tariffs and Trade. Procedural studies have been made to determine the administrative or legislative action needed to live up to these commitments. Legislation, where indicated, has been drafted. In addition, the preparation of the various trade agreement schedules by Customs has been a substantial accomplishment.

(2) Aids to trade.—Not only has the Bureau of Customs participated in the work incident to and resulting from the Havana and other trade agreement conferences, but has participated in discussions with the representatives of other governments, including the recent Tripartite talks, with a view to simplifying Customs procedures.

Originating in the management improvement program were 27 recommendations which would simplify export and import requirements. These covered the entry, inspection, classification, appraisement, sampling, and testing of merchandise; the entry and clearance of vessels and aircraft, etc.

(3) Procedure simplification.—Because the significant items of the Customs work load are rising and because present and prospective budgetary limitations do not provide for adequate staffing at present import levels, procedure simplification has been imperative. Included in the improvements made are the following:

(a) The formulation and use of scientific control weighing and testing procedures.—Scientific control weighing methods have been applied to the three principal revenue-producing commodities handled by Customs, namely, sugar, wool, and tobacco. While the studies are not complete, these methods have resulted in large manpower savings and more expeditious handling of these commodities. Moreover, industry is being better served.

(b) Joint Customs-Immigration preliminary questioning of pedestrian and vehicular traffic at land border ports.—This program, providing that a single Government official ask both Customs and Immigration questions of the traveling public, has been successfully installed along the Canadian border with savings to both the Customs and Immigration Services, as well as improved service to the public. The system is being expanded to include the Mexican border. Customs savings during the fiscal year 1950 alone will total about \$137,000. Smaller savings were recorded in 1949 when the program began.

(c) Work simplification.—This program, which depends on the knowledge of the employees of the Bureau, has been increasingly successful. The program got under way during the fiscal year 1949, when savings of \$108,100 were reported, and will continue through the fiscal year 1950 and subsequent years. Savings for 1950 are estimated at \$325,000.

(4) Public educational aids.—Customs is meeting the problem of creating better public relations by providing Customs information to the traveling and importing public. A "Customs Hints" folder, in simple, direct language and complete with illustrations, has been prepared to assist the traveler. In cooperation with other Government agencies, Customs has prepared a brochure for prospective importers and exporters. In addition, Customs has invited the public to visit its local offices to present and discuss their problems. Continuing emphasis is being given to this phase of the program and press releases are issued when a subject is of interest to the public.

(5) Other management control measures.—In this area, improvements have been made in three principal categories:

(a) Enforcement methods.—Since the end of the war Customs has re-evaluated its enforcement techniques and has eliminated its traditional "border patrols." Outmoded enforcement techniques have been replaced by investigation and increased purchase of information. The elimination of the Southwest border patrol alone resulted in savings of \$358,700 in 1949; future years will show recurring \$438,700 savings.

In addition, the method of port patrol has been changed. Radio patrol cars now cover almost the same areas as did the traditional foot patrol, before its reduction in size. Resultant savings amounted to \$472,500 in the fiscal year 1948, \$530,300 in 1949, and \$530,300 estimated for 1950 and subsequent years.

(b) Delegation of authority.—Other significant management control measures which have been instituted are as follows: appropriate authority has been delegated to the man with the job; personnel activities have been decentralized to local field offices; fiscal and budgetary responsibilities have been delegated to the field; and authority to make many technical operating decisions has been given to district operating officials.

(c) Improved service functions.—Central service functions, such as payroll and accounting matters, have been centralized in field cities so that a single office performs these functions for all Customs installations in that city. This results in higher-grade work and better control. Other organizational changes are being studied, including consolidation of the mail division functions under a single office in

field cities, which should result in more efficient service at some reduction in cost. Moreover, under the joint General Accounting Office-Treasury-Bureau of the Budget accounting program, a systematic review is being made of all the accounting and auditing procedures, with a view to streamlining these operations and providing for the elimination of any overlapping or duplication which may be found to exist.

Many of the changes discussed here will require legislation if they are to have their full effect. Administrative changes are being made as rapidly as possible, and the total estimated savings thus far attained indicate the success of the measures so far undertaken.

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing is not a "bureau" in the ordinary sense. It is an industrial or manufacturing plant that designs, engraves, and prints currency, bonds, notes, bills, certificates, revenue and postage stamps, Government checks, postal savings certificates, warrants, and many other kinds of documents and forms.

In 1949, for example, the Bureau delivered 746 million sheets of finished work. This total included 510 million sheets of postage, revenue, and other stamps with a face value of \$42.4 billion, 140 million sheets of currency aggregating \$6.5 billion in face value, and 77 million bonds, notes, bills, etc., with a face value of \$185.9 billion.

During the war the Bureau of Engraving and Printing, like other Treasury bureaus, had to meet demands as best it could. Economy and efficiency were of necessity secondary to the problem of getting the job done. War had brought many new technical developments but few of them had been adapted to the Engraving and Printing Bureau, for the Bureau had been unable to employ technical personnel to carry on research and experimental work. In 1946 the Bureau was authorized to undertake an immediate modernization program, which to date has effected savings of \$11.8 million as a result of new and improved means in handling its work.

Modernization in the postwar period.—The postwar period brought heavy demands for new currency. The decision to keep paper currency in circulation for longer periods before replacing it with new money was helpful for a time, but eventually production had to be increased. New presses were needed. The Treasury learned that 20 new flat-bed printing presses equipped with automatic polishers and semiautomatic feeder boards had been built for the Soviet Union, but our Government had withheld the presses. The Treasury bought these presses for \$250,000.

Subsequently, contracts were awarded for the manufacture of automatic polishers and semiautomatic feeder boards to equip 150

of the old presses in the Bureau. It is calculated that these modernized presses will make it possible not only to increase currency production by approximately 30 percent, but will save about \$1.2 million each year.

Foreign currency production.—Outstanding projects performed for other agencies included the production of Siamese currency for the Government of Siam; Korean currency and military certificates of four separate issues ordered by the Department of the Army; Cuban currency ordered by the Cuban Government through the State Department; and Philippine currency and postage stamps produced for the Government of the Philippines. It was necessary to secure the services of a commercial firm to assist in the offset printing of the Siamese and Korean currencies and the military certificates.

One of the most interesting and important projects brought to a successful conclusion by the Bureau was the production of a special currency for use in the Western Zone of Germany. As Bureau facilities were taxed to capacity, it was necessary to use the offset process of printing and to negotiate for the production of the currency through commercial facilities. The use of the offset process of printing in the initial phase of production made it possible to meet the deadlines. During the three years that special currencies were produced, the offset process saved the Government almost \$8.3 million.

Postal issues.—Since July 1946 the Bureau has produced 59 new postal issues for the Postal Office Department. The heaviest work load in the Bureau history occurred during the calendar year 1948 when there were 29 new stamps, the majority of which were issued to comply with special congressional legislation. This accelerated program made it necessary to produce a new stamp issue every nine days, instead of the usual sixty to ninety days. All of the new issues required preparation of designs, engraving of dies, making of plates, printing and processing of sheets, and shipping of finished stamps to post offices throughout the United States. In many instances overtime work was necessary to supply sufficient quantities of stamps to the various post offices in time for the designated issue dates.

Experimental work.—The Bureau has carried on an almost endless number of experimental and research projects. As a result of this work the Bureau has pioneered in the production of a special type of printing ink to be used with the new rotary press now being developed to print postage stamps. The higher speed of this press requires an ink which dries faster than the conventional types.

One of the Bureau's persistent problems has been to lengthen the life of paper currency. If the period of its use can be extended, the cost for printing money can be reduced. The Bureau and the manufacturer of the Bureau's currency paper have been working together

to produce new internal sizing agents. These new sizing agents are being used experimentally to see if they will improve the physical properties of currency paper.

The Bureau is now working on the design and construction of new equipment to replace worn-out or obsolete equipment used in printing of currency, bonds, and stamps. Safety, improved quality, decreased costs, and the conservation of raw materials are important factors in new designs. Experiments conducted after modifications of existing equipment are serving as a guide for the design of a new press which is now under contract. This press will be adaptable for multicolor printing of postage stamps.

BUREAU OF THE MINT

Wartime developments.—During the war the Mint Service was confronted with enormous problems of work load which stemmed from two sources. First, domestic coin production had to be increased until in 1945 more than three times as many coins were delivered to the public than were required in the prewar years. Secondly, foreign coin production for the Allied countries and their overseas possessions devolved upon the Bureau of the Mint when the mints of these countries were put out of operation by enemy action. For a number of years the mints operated twenty-four hours a day, seven days a week. As a result of these sustained operations, much of the mints' equipment suffered severely. Moreover, in its all-out effort to meet tremendous war production schedules, the Bureau was forced to neglect in many respects its personnel problems, safety and industrial hygiene, and working relations with employees' unions.

Upon assuming office, Secretary Snyder directed that a complete review be made of all the operating procedures of the Mint Service. New, modern equipment would soon be available, and the Bureau should stand ready to take advantage of it as it came on the market.

In September 1946, therefore, a conference of officials representing the entire Mint Service was held in Washington, D. C. The purpose of this conference was to obtain a direct exchange of ideas between the technicians actually in charge of the manufacturing processes in the individual field plants. During this conference every technical manufacturing process of each plant was scrutinized and extensively discussed along with ideas for improvements; and new or improved types of equipment were surveyed. More than 100 operating problems, ranging from the pouring of ingots to the shipment of the completed coin, were considered by the assembled officials. The discussions which were held at this conference were recorded and subsequently compiled into a written transcript which, in effect, constituted a textbook on modernization for the Mint Service.

Moreover, the officials who had attended the conference personally visited outside manufacturing concerns which had metal working activities in any way similar to the mint processes. Technical experts from private industry were induced, as a result of these visits, to lend their assistance in solving the problems which the war had left.

Working relations with employee unions had to be re-examined in the light of postwar developments. The Bureau of the Mint established a policy of conducting annual wage surveys in each of the five mint areas employing per diem workers in order to adjust their rates of pay to a level comparable to that for similar work in private industry. Definite procedures were established for resolving union and employee grievances.

Management savings.—The Mint Service has shown estimated savings totaling \$1.2 million for the fiscal years 1947–49. Additional savings for 1950 are estimated at \$300,000, making total savings of \$1.5 million in the four years.

Some of the major operating improvements in the Mint Service are described in the following paragraphs:

(1) The development of a water-cooled mold. The Mint in Philadelphia formerly cast silver ingots by pouring into individual molds by hand, which made it necessary for the workers to handle hot molds and hot ingots. The new water-cooled mold, developed for mechanically casting silver ingots, eliminates the handling of the mold and ingot.

(2) The development of the universal silver ingot. Formerly the mints had to cast separate ingots for ten-cent, twenty-five cent, and fifty-cent pieces. There has now been developed a universal silver ingot which can be used for all of the silver coins.

(3) Reduction in the number of passes of ingots through rolling mills. New rolling room equipment has reduced the number of passes of ingots through the mills.

Other improvements include increased speed of cutting presses, the installation and adaptation of new annealing equipment, improvement of milling machines, and a change of reviewing procedures.

FISCAL SERVICE

During World War II, the work in the Fiscal Service increased at a tremendous rate. Serious problems had arisen because of the magnitude of centralized operations. In 1946 the Fiscal Service, therefore, increased the tempo of its decentralization program. Many of the most important economies realized during the subsequent years resulted from this program.

Three other means used to economize in the Fiscal Service during the postwar period were the elimination of overlapping and dupli-

cation between the bureaus of the Fiscal Service, the mechanization and improvement of basic procedures, and the adoption of suggestions received from employees under the Department's work simplification program.

Shortly after the end of the war, the Secretary of the Treasury authorized the Fiscal Assistant Secretary to recruit a small staff of high-grade accountants for over-all management work. Moreover, the three bureaus in the Fiscal Service were encouraged to strengthen their technical staffs as well as their executive and key supervisory personnel. With these technical specialists, the Fiscal Service was able to review its operations critically and to supply expert assistance to those responsible for line operations.

Inasmuch as the Fiscal Service is primarily a service agency for the Government and the public, the problem was one of speeding up and reducing the cost of the service performed. Since the summer of 1946, the Fiscal Service has shown management savings totaling nearly \$10 million. Savings effected apply not only to the year when the improvements are installed, but also to all future years in which the operations are performed. Savings for the fiscal year 1950 are estimated at \$6 million. Three major improvements which contributed to the \$10 million savings are the decentralization of the Treasurer's savings bond redemption operations to Federal Reserve Banks, with savings amounting to \$680,000; the revision of the procedures for processing reissues and redemptions of savings bonds, with savings of \$1.7 million; and the consolidation of savings bond operations in parent Federal Reserve Banks, with savings of \$2 million.

There follows a brief narrative account of the programs in each of the three units of the Fiscal Service, as well as a review of the Government-wide program to improve Federal accounting and financial reporting.

Office of the Treasurer.—Some years ago the payment of checks drawn on the Treasurer of the United States was largely decentralized from Washington to the Federal Reserve Banks, thus eliminating one step in handling the major part of paid checks. This program is a continuing operation. At the present time approximately three-fourths of all checks drawn on the Treasurer of the United States are paid through the Federal Reserve Banks.

In 1947, the audit of redeemed savings bonds by the Treasurer of the United States was discontinued; and, in substitution thereof, improved audit procedures were designed for the Federal Reserve Banks and the Office of the Register of the Treasury. In the fiscal year 1949, the issuance of savings bonds by the Treasurer of the United

States in Washington on mail order was decentralized to the Federal Reserve Banks. During the fiscal year 1950, arrangements have been made to discontinue the separate examination of paid interest coupons in the Treasurer's Office after their payment by the Federal Reserve Banks as fiscal agents of the Treasury and prior to their transmittal to the Register of the Treasury for final audit. In lieu of such examination improved control procedures have been set up in the Federal Reserve Banks followed by a thorough audit by the Office of the Register of the Treasury.

The most revealing picture of management improvement in the Office of the Treasurer is shown by the following comparison of work load and employment: In the fiscal year 1947, the office had 2,058 employees and processed 264 million checks; in 1950, employment will total about 1,500 and 252 million checks will be processed. Thus, in four years, the check work load, the main component of the total work load, has remained virtually the same while employment has dropped about 25 percent.

Management savings in the Office of the Treasurer totaled \$268,000 in 1947, \$310,000 in 1948, \$406,000 in 1949, and an estimated \$444,000 in 1950.

Bureau of Accounts.—The program of the Bureau of Accounts, which includes the Division of Disbursement, has been directed to reduction of operating costs and at the same time improving service rendered.

Improved procedures have been initiated to speed up the issuance of duplicate checks in cases where the originals have been lost by the payees. Effective steps have been taken to mechanize operations wherever possible, and to adopt other improvements, which have resulted in substantially lower unit costs for issuing checks.

The effectiveness of management improvement is shown by the following comparison of work load and employment: In the fiscal year 1947 the Division of Disbursement had 3,735 employees and wrote 160 million checks; in 1950, employment will total about 3,472 and 186 million checks will be written. Thus, in four years, employment will have dropped about 260 and the work load will have increased by 26 million checks.

Management savings in the Bureau of Accounts, including the Division of Disbursement, totaled \$550,000 in 1947, \$1.3 million in 1948, \$2.1 million in 1949, and an estimated \$2.4 million in 1950. Nearly all of this is reflected in reduced appropriations.

Bureau of the Public Debt.—The major problems of the Bureau of the Public Debt in terms of volume of work handled had their inception in the tremendous expansion of the savings bond program during the war. In recent years it has been necessary to devote considerable attention to the elimination of wartime accumulated backlogs in

various savings bond operations, and at the same time to handle a large volume of current work.

An important phase of this program has been the policy of decentralizing to the Federal Reserve Banks responsibility for the processing of certain phases of the work incident to the issue and redemption of savings bonds. This step eliminated much duplication in operations of the Federal Reserve Banks and the Bureau of the Public Debt. Some of the accomplishments in this field involved the consolidation in Federal Reserve Banks of the work incident to the redemption of savings bonds and the decentralization of the audit of savings bonds by the Office of the Register of the Treasury. A revision of procedure for processing reissues and redemptions of savings bonds, under which Federal Reserve Banks are authorized to conduct these operations, has not only speeded up service to the public, but has made it possible to reduce substantially the operating costs.

Management savings in the Bureau of the Public Debt totaled \$190,000 in 1947, almost \$2 million in 1948, \$2.8 million in 1949, and an estimated \$2.9 million in 1950.

Joint accounting project.—One of the important tasks with which the Fiscal Service is currently concerned is that of Treasury participation in a continuing, Government-wide program to improve Federal accounting and financial reporting. The Treasury, the General Accounting Office, and the Bureau of the Budget, as the three central fiscal agencies of the Government, are taking the lead in this program, which was announced jointly by the heads of these three agencies early in 1949. This is the first time since the enactment of the Budget and Accounting Act of 1921 that the officials of the three agencies have adopted a formal program of cooperation to bring about improvement in basic accounting systems throughout the Government.

Under this cooperative program it is hoped Government agencies will ultimately adopt uniform principles of accounting, giving due recognition, of course, to the varying needs of different types of Government activities. Other objectives of the program include the strengthening of the facilities of the Treasury as the operating center for current accounting and over-all financial reports; making available more informative financial reports at lower accounting costs; improving budgetary processes in line with the improvement of accounting and financial reporting; improving the Government's system of audit and control; and establishing a body of accounting and reporting principles and standards for general observance.

The Treasury, by revising the Coast Guard accounting system to meet the needs prescribed by sponsors of the joint program, is among

the agencies which have taken the lead in the new program. When the installation is complete, the management of the Coast Guard will have available an accounting system which will meet more effectively the needs of management and fiscal control.

OFFICE OF THE COMPTROLLER OF THE CURRENCY

Measures have been taken by the Office of the Comptroller of the Currency in the past three years to strengthen its bank examining function. This Office was hampered by personnel losses during and immediately after the war. Therefore, every effort has been made to rebuild the staff to its prewar level. This entailed the raising of standards and the recruitment of new assistant bank examiners from university graduates who have specialized in economics and business, as well as from men possessing actual banking experience. In addition, an educational program for the entire examining staff has been inaugurated to supplement the training program which has long been in operation.

Other steps taken to perfect the bank examining function, and which have proved beneficial, are: (1) revision of the instructions to National Bank Examiners; (2) issuance of a "Digest of Opinions of the Comptroller of the Currency," with necessary supplements to keep it current; (3) revision of the compilation of laws affecting national banks; and (4) revision of examination report forms to bring them in line with new developments in the banking field.

Moreover, the Comptroller of the Currency has adopted a policy of rotating the District Chief National Bank Examiners periodically among the twelve districts in order to bring about a fresh viewpoint in each district and to stimulate the chief examiners by the challenge of new problems.

Through cooperation with other bank supervisory agencies, important revisions have been made in the examination procedures relating to the classification of assets and appraisal of securities.

The creation of a unit to give specialized direction for the supervision and examination of trust departments of national banks has contributed to the improvement in operations of the Office of the Comptroller.

COAST GUARD

On January 1, 1946, the Coast Guard was returned to the jurisdiction, of the Treasury Department, after spending the war years under the Navy. Thus, when Secretary Snyder assumed office in 1946, he found the Coast Guard once more in the Treasury Department. During the ten-month period after VJ-day, the Coast Guard demobilized from a strength of 172,000 to 22,000 officers and men. At that time the mission of the Coast Guard in peacetime was uncertain and obscure.

Demobilization had disrupted the orderly procedure of its operations, and a host of new duties assumed during the war remained as a continuing responsibility. Moreover, not only the men but also the funds to do the job were gone. Since then, the peacetime mission of the Service has been well defined and has been affirmed by Congress in legislation. The money and manpower today have been more properly scaled to fit the size of the job.

Management study.—Recognizing the critical condition of the Coast Guard in the summer of 1947, the Secretary of the Treasury and Congress made provision for a major business study of the Service to be conducted by a private firm of consultants.

The firm submitted its report in January 1948 and advanced 193 specific recommendations aimed at furthering improvement in Coast Guard operation. These proposals became an integral part of a broad improvement program. To date, action has been completed on 119 of the recommendations, and the remaining 74 are in process of implementation or are being given further study.

Achievements.—Major improvements which have been initiated in the Coast Guard since 1947 are reviewed in the following paragraphs.

(1) Integration of former Lighthouse Service and former Bureau of Marine Inspection and Navigation.—Although phases of these consolidations were accomplished during the war, much has been achieved since 1947. Increased economy and efficiency have been attained through consolidation of facilities, reduction of operating expenses, and better utilization of personnel assigned to marine inspection and aids to navigation functions.

(2) Consolidation of districts.—The former Tenth (San Juan) Coast Guard District was abolished on April 1, 1948, and merged with the Seventh (Miami) Coast Guard District, thereby effecting certain savings and making possible a redistribution of personnel to less adequately manned activities.

(3) Consolidation of facilities.—A special board of officers, convened early in 1949, has recently concluded its mission of investigating the necessity for operating each lifeboat station, light station, and lightship. This board, as a part of its study, held public hearings in the localities concerned to determine whether the facility need be continued. The report of this special survey board is currently being reviewed by the Commandant, prior to its formal submission to the Department.

(4) Improvements in accounting.—A special staff activated in November 1948 is devising improved accounting organization and procedures. Improvements so far underway include: (a) decentralization of detailed accounting to districts; (b) centralized consolidation of reports and analyses for management purposes; (c) use of site audits

and reduction of departmental post-audits to the maximum permissible extent; and (d) establishment of an adequate system of cost accounting. A pilot organization in the Fifth Coast Guard District is planned for March 1, 1950, with extension to the other districts as rapidly as possible. It is expected that the complete change-over will be accomplished by January 1951.

(5) Improvements in supply.—A study of existing supply procedures initiated in February 1949 is progressing toward: (a) more efficient methods of procurement; (b) better inventory control with reduced costs; (c) faster filling of supply orders; and (d) improved distribution of stocks. As an initial step, it is intended to utilize existing sites and facilities to establish a field distribution depot in each district (except the Eleventh and Fourteenth). These district depots will become satellites of naval supply activities for the distribution of general stores to all Coast Guard shore and floating units (except large cutters) in their respective districts.

(6) Utilization of mechanical devices.—The war-famed Army "DUKW" is an excellent example of a recent improvement in equipment for use in assistance, search, and rescue. After some modifications and exhaustive tests in 1947, this amphibious-type vehicle has been added to the allowance list of many lifeboat stations to replace older and less adequate types of floating equipment. Some savings in personnel may accrue for diversion to duty elsewhere. A somewhat similar situation exists with respect to helicopters. The helicopter now fills an important need aboard certain ships by extending the present radius of search activity. Its use at lifeboat stations is also under study.

(7) Conversion of manned aids to navigation to unattended status.—Each year the Coast Guard is able to convert certain aids to navigation from a manned to an automatic or unattended status. This, of course, permits the reassignment of personnel elsewhere. The Coast Guard has also been experimenting with an automatic unmanned lightship.

(8) Improvement in electronic devices.—The rapid advances in the field of electronics during World War II have enabled the Coast Guard to adopt electronic improvements. These advancements improved the quality and quantity of service to the mariner. Types of equipment which have recently been improved or devised include: (a) remote control radio receiver; (b) coastal lookout radar; (c) direct-reading loran receiver; (d) automatic radio direction finder with visual presentation; (e) portable radiophone and radiotelegraph; and (f) ramark and radar reflector equipment.

(9) Mechanization of clerical work.—Extensive study has been devoted to furthering efficiency through mechanizing manual clerical

procedures wherever possible. Of major importance is the mechanization of personnel accounting which was achieved in 1949. Similar studies are in progress for the mechanization of manual work in other fields.

(10) Work measurement and personnel utilization programs.—Although currently hampered by lack of sufficient personnel, intensified programs concerned with the development of a more adequate work measurement system and the better utilization of personnel are in progress.

(11) Review of methods and procedures looking toward general improvement in management practices.—A central management group now scrutinizes detailed aspects of the management of the Service. This group is devoting its attention to the general improvement guide lines established by the consulting management firm.

COORDINATION OF ENFORCEMENT ACTIVITIES

In addition to the law enforcement responsibilities of the Bureau of Customs, the Bureau of Internal Revenue, and the Coast Guard, heavy enforcement duties rest with the Secret Service and the Bureau of Narcotics. Effective cooperation of all of the Treasury law enforcement groups is assured through the work of a Chief Coordinator, who directs the interchange of ideas and information as well as cooperative performance in specific enforcement undertakings.

Under the personal leadership of Secretary Snyder, the Treasury Department's coordinated attack on crime has moved, since 1947, into its most effective period. The Department has succeeded in utilizing the benefits of coordinated police work in detecting and convicting criminals without the high central overhead cost usually associated with these efforts. Three positive policies have been used as the substitute for more mechanized and costly centralized controls. They are (1) aggressive and consistent top management support, (2) respected leadership selected from within the organization, and (3) a cooperative type of leadership emphasizing the specialized talent of each enforcement unit, interchange of ideas, training and education, and practical research.

Another perspective on the accomplishments of enforcement operations is furnished by the growing dollar volume of fraud case taxes and penalties recommended, and other fines and seizures. Since July 1946, latest estimates place the total fines, penalties, and value of seizures in excess of \$91 million. In addition, in tax fraud investigations alone, recommended taxes and penalties for the period are approaching \$1,400 million.

Rise in service morale.—Surveys by the Coordinator indicate that the morale of Treasury enforcement personnel has been raised during the last few years to its highest level in departmental history.

The policy of filling the position of Chief Coordinator and those acting in that capacity from the ranks of career executives within Treasury enforcement has contributed to the rise in morale. Thus, when Treasury Department Order 114 appeared on June 1, 1949, restating the Department's position on promotions of personnel, the Coordinator was able to report that this policy was fully installed in every branch of law enforcement.

This improved morale has enabled the heads of the enforcement groups to work together actively in the improvement of departmental working conditions for enforcement officers. The biggest lift was provided by the law permitting enforcement agents to retire at the age of 50 after 20 years' service. This law was put on the books principally because of the personal efforts of Secretary Snyder. There is also pending a proposal to add to the salaries of enforcement agents a 10 percent pay differential for the overtime they must work.

Training and cooperation.—Assisted by the Office of the Coordinator, Treasury agencies have recently made arrangements whereby their men may attend certain related training schools conducted by the Armed Services. The Coordinator's office also participated in training sessions conducted by the Armed Services, which presented material on civilian police work.

Treasury cooperation with local authorities is carefully maintained on an informal basis. The continuing reward for this is the unstinted cooperation of local authorities, which, in turn, is of material aid in enabling the several units to maintain their high record of convictions.

SECRET SERVICE

Counterfeiting.—The upsurge in counterfeiting during the postwar period has been one of the most difficult problems of the Secret Service. A most helpful factor in meeting this problem was the voluntary uncompensated overtime work of the men of the Secret Service.

Perhaps the most important single step taken by the Treasury to combat counterfeiting was the establishment of a special mobile squad of fifteen agents assigned to work exclusively on investigations of major counterfeiting cases. However, the urgent need for these agents in the various field districts from which they were temporarily recruited made it necessary to disband the squad and to return the agents to their permanent posts of duty.

From time to time the Secret Service has assigned agents to conduct counterfeiting investigations in foreign countries. The Secret Service is in close touch with European authorities endeavoring to coordinate efforts to stamp out the foreign counterfeiting of United States money, and has asked for funds to assign two agents to Europe permanently. The Treasury has also filed an official request with the Department of

State asking for closer cooperation of foreign police agencies in combating this problem.

In order to alert the general public against counterfeiting, it has been discussed through every conceivable publication medium. There have been Nation-wide efforts to publicize the method of detecting counterfeits. Newspapers, magazines, radio, and television have all been used. This publicity resulted in detection of a counterfeit note by a theater cashier in Cleveland. The passer was arrested and furnished information which led to the capture a few months ago of a counterfeiting plant in Washington not far from the Treasury Building. In that case the Secret Service seized \$150,000 in counterfeit notes and the counterfeiting plant and makers.

Moreover, displays of genuine and counterfeit notes have been installed in banks throughout the country. Ordinary citizens can usually tell the difference in good and bad money if they can see the good and the bad side by side. The Secret Service booklet "Know Your Money" has also been revised. Bank tellers and cashiers throughout the country use this book, and it is now frequently included in the course of study in high schools. Copies of the booklet have even traveled as far as Monrovia where officials are using it to educate persons who have been victimized by passers of counterfeit American money of foreign origin.

A review of the counterfeiting laws has shown that the Criminal Code is not up to date. The Secret Service, with the assistance of the General Counsel of the Treasury, has therefore drafted additions and amendments to the Code in the hope that legislation will be passed which will modernize obsolete counterfeiting laws and make enforcement effective.

Thefts, forgeries, and other problems.—The number of agents of the Secret Service has not been commensurate with its great work load since the war. The ever-increasing numbers of stolen and forged Government bonds and checks have made it necessary for the Secret Service to take extraordinary steps to prevent the backlog from mounting. While the requests for funds for more agents have been debated in Congress, the existing field force has worked overtime without extra compensation. The extra effort of the Secret Service has been instrumental in the closing of 45,384 criminal cases and 1,735 noncriminal cases, a total of 47,119 investigations, during the fiscal year 1949.

BUREAU OF NARCOTICS

Shortly after Secretary Snyder assumed office, the Bureau of Narcotics, through the Commissioner, resumed work on the international narcotics problem. Narcotics control, in order to be effective,

must be an international cooperative venture. All countries, particularly in the Orient and the Middle East, must work together. The opportunity for coalescing the enforcement agencies around the world presented itself through the newly formed United Nations organization. The Commissioner of Narcotics was named the United States Delegate to the Commission on Narcotic Drugs, and in 1946 he took the lead in the work of that Commission.

International control.—The war had left a legacy of confusion. It was the object of the Treasury to secure firm international control over all narcotic drugs. The Commissioner of Narcotics in the fall of 1946 attended the first meeting of the newly formed international commission, a part of the United Nations, with this basic purpose in mind.

One of the first achievements of the Commissioner, as United States Delegate, was to play a prominent part in the adoption of the Protocol of December 11, 1946. This Protocol transferred to the United Nations and the World Health Organization the functions previously vested in the League of Nations under the six existing narcotics agreements, conventions, and protocols. It secured uninterrupted continuity of international cooperation in controlling the traffic in narcotic drugs on a world-wide basis. This Protocol was ratified by the United States Senate on June 24, 1947, and was proclaimed by the President on October 14, 1947.

In the meantime, a number of new drugs—not obtained from the basic opium or coca leaves—were being developed by the pharmaceutical industry. Although these new drugs were dangerous from the standpoint of habituation, they were not subject to regulation or control under either the national narcotics laws or the international narcotics agreements and conventions. Legislation was consequently requested and enacted whereby, upon proclamation by the President of an appropriate finding, these new habit-forming drugs could be placed under control of existing narcotics laws. To date, ten new synthetic drugs have been subjected to the control of Federal narcotics laws by Presidential proclamations.

It was of vital importance, however, to secure the adoption of similar procedure in the international field, so that each of these new synthetic drugs found to be dangerous could be promptly brought under control of existing regulatory conventions without the delay of drafting and adopting new ones. The United States, through its Delegate, proposed a plan for covering in these new synthetic drugs, and this plan crystallized in a new "Protocol Bringing Under International Control Drugs Outside the Scope of the Convention of 13 July 1931". This Protocol, approved by the General Assembly of the United Na-

tions, October 8, 1948, is now before the United States Senate for ratification.

In the meantime the Commissioner continues to assist in the important preliminary work of revising and modernizing the provisions of these existing eight international agreements, one of which is dated as far back as 1912. The Treasury has vigorously sponsored a project, now agreed to in principle by the main producing countries of the world, to limit the production of opium to the medical and scientific needs of the world. As a result, a conference of representatives of the principal producing countries, India, Iran, Turkey, U. S. S. R., and Yugoslavia, will meet in Turkey this year to consider methods of limitation.

The United Nations Economic and Social Council has given effect to a proposal submitted by the United States Delegate to the Commission to have the several nations collaborate in a scientific study of the identification of opium by physical and chemical means. The object of the study is to determine if there are distinguishing physical or chemical qualities for opium produced in certain countries or in a specific area of a certain country. The advantages of this identification are obvious. Preliminary experiments made by an expert American chemist give promise of the development of a scientifically acceptable identification procedure.

At a session of the United Nations Commission on Narcotic Drugs held in July 1947, the United States Delegate called attention to large-scale smuggling of narcotics from Mexico into the United States. It was estimated that at least one-half of the raw opium produced in Mexico was processed into morphine or heroin, most of which found its way into the United States. On motion of the United States Delegate, the Commission adopted a resolution to ask the Government of Mexico to suppress the illicit cultivation of opium. As a result, the Mexican representative reported at the session of the Commission held in May 1949 that his Government had instituted a permanent campaign against illicit production, manufacture, and traffic; that by 1948, 690,000 square meters of land previously used for opium poppy growing had been changed over to other crops; that drastic action had also been taken to destroy poppy fields and plantations of Indian hemp; and that two illicit laboratories engaged in the production of opium derivatives had been closed.

To facilitate international cooperation, the Treasury has sent a Narcotics agent to Peru, another to France, and a third to Turkey. These agents have helped police of those countries break up smuggling rings and have thus contributed materially to the objectives of the United States Government and the United Nations Commission.

Domestic operations.—Simultaneously, the Bureau of Narcotics has been carrying on its regular criminal law enforcement work against a postwar resurgence of the illicit narcotic traffic. With its average complement of approximately 175 agents, the Bureau arrested 2,855 narcotics traffickers during the fiscal year 1947. In 1948, arrests increased to 3,180; and in 1949, rose to 4,803. Approximately eight percent of the total offenders in Federal prisons have been incarcerated because of the work of the Bureau of Narcotics. This ratio is a firm testimonial to the effectiveness of these agents.

To afford a more prompt and effective check against diversions, the reporting procedure of the Bureau of Narcotics was decentralized in 1949. Manufacturers, wholesalers, and jobbers now report sales of narcotics directly to district field offices. This will be a particularly valuable procedure in enabling the Bureau to recognize promptly any trend in addiction to, and abuse of, the newer synthetic drugs, and to take remedial measures.

OFFICE OF ADMINISTRATIVE SERVICES

Prior to October 1947, service functions in the Office of the Secretary of the Treasury were widely dispersed. These functions include office services, record administration, certain building custodial operations in the District of Columbia, and the coordination of Treasury space requirements in Department and field offices. The Secretary of the Treasury on October 1, 1947, by Treasury Department Order No. 93, directed that all of them should be brought together in a newly created Office of Administrative Services and operate under the supervision of a Director.

Significant savings have since been accomplished. From the fiscal year 1947 through 1950, management savings total \$3.8 million. Two of the major components of this total are attributable to the records disposal program of the Treasury Department and to the release of commercial space. The records disposal program has made approximately \$500,000 in records storage equipment available during each fiscal year. The Treasury's program to release commercial space and make use of federally owned or controlled space has produced significant savings. In 1947 savings in commercial rentals totaled \$280,000; in 1948, \$443,000; in 1949, \$561,000; and in 1950, an estimated \$200,000.

BUREAU OF FEDERAL SUPPLY

The Bureau of Federal Supply is no longer under the jurisdiction of the Secretary of the Treasury. By act of Congress it was transferred on July 1, 1949, to the new General Services Administration, which was created, on the recommendation of the President, to bring

under one control the related service agencies which had previously been independent or under some other jurisdiction.

Stores program.—During the fiscal year 1947 the Federal Supply Nation-wide stores program handled a total annual dollar business of more than \$22.9 million. Under this program, the Bureau operated stores which sold supplies to other Government agencies, with the exception of the military. The stores, of which there are now 12, are located in strategic cities widely dispersed throughout the country. The object of the stores program is to bring the merchandise nearer to the customers, to locations where the customers can see what they are buying, and to cut the costs of this service operation. Under the Treasury's direction, this program has gradually been accepted by the other Government agencies, although the agencies were not required to purchase from these stores.

In 1948, after the stores program had been operating for almost six years on a cooperative basis, the Secretary of the Treasury approved a Federal Supply directive which made the stores program mandatory for all Government agencies, except, of course, the Department of Defense. The Bureau was able to demonstrate at that time that it would be clearly advantageous to the Government to require the civilian departments and agencies to purchase their supplies through the 12 regional stores. The dollar volume of the stores operation had fallen to \$22.4 million in 1948, but jumped to \$26.9 million in 1949.

Strategic and critical materials.—An interesting and important development in the past three fiscal years was the increase in the purchase of strategic and critical materials by the Bureau. In 1947 these purchases totaled over \$68 million; in 1948, more than \$252 million; and in 1949, more than \$477 million. As purchases increased, the Treasury also leased the necessary additional warehouse space to accommodate the vital stockpiles.

REPORT ON OPERATIONS

SUMMARY OF FISCAL OPERATIONS

Budget expenditures of the United States Government in the fiscal year 1949 exceeded receipts by \$1.8 billion. This compares with a surplus of receipts of \$8.4 billion in 1948 and of \$0.8 billion in 1947.

Net budget receipts of \$38.2 billion were less than in any year since 1943. Budget expenditures of \$40.1 billion were higher than in 1947 or 1948; they were \$6.3 billion more than in 1948.

The \$1.8 billion budget deficit, together with an excess of expenditures from trust accounts, etc., of \$0.1 billion, was covered by drawing down the balance in the general fund by nearly \$1.5 billion and by an increase in the public debt of \$0.5 billion. The cash balance in the general fund decreased during the year from \$4.9 billion on June 30, 1948, to \$3.5 billion on June 30, 1949. The public debt on June 30, 1949, stood at \$252.8 billion.

An outline of Federal fiscal operations in the past two years is shown in the table following. The figures are on the basis of daily Treasury statements. Annual figures for 1932-49 and monthly for 1949 are contained in table 1 in the tables section in this report.

	1948	1949
	In billions of dollars	
Budget results:		
Net receipts.....	¹ 42.2	38.2
Expenditures.....	² 33.8	³ 40.1
Surplus, or deficit (—).....	8.4	—1.8
Less:		
General fund balance, increase, or decrease (—).....	1.6	—1.5
Trust accounts, etc., excess of expenditures ⁴.....	.8	.1
	2.4	—1.3
Equals: Public debt net decrease, or increase (—).....	6.0	— .5

¹ Revised. See table 5, footnote 3.

² Revised. See table 5, footnotes 3 and 13.

³ Includes Foreign Economic Cooperation trust fund expenditures of \$3.0 billion.

⁴ Includes clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks. The amounts for the two items, in millions of dollars, were as follows:

	1948	1949
Trust accounts, etc., net expenditures.....	294	495
Clearing account net expenditures, or net receipts (—).....	507	—306
	801	128

BUDGET RECEIPTS

Net budget receipts, which consist of total receipts less the appropriation to the Federal old-age and survivors insurance trust fund

and refunds of receipts, amounted to \$38.2 billion in 1949 and were nearly \$4.0 billion less than in 1948.

Receipts in the fiscal years 1948 and 1949, on the daily Treasury statement basis, are compared by major sources in the following table. Chart 2 shows total receipts by major sources for the fiscal years 1943 through 1949.

Source	1948	1949	Decrease	
			Amount	Percent
		In billions of dollars		
Individual income tax ¹	21.0	17.9	-3.1	-14.6
Corporation income and excess profits taxes.....	10.2	11.6	1.4	13.6
Total income and excess profits taxes.....	31.2	29.5	-1.7	-5.4
Miscellaneous internal revenue.....	8.3	8.3	(*)	.6
Employment taxes ²	2.4	2.5	.1	3.8
Customs.....	.4	.4	(*)	-8.8
Miscellaneous receipts ³	3.8	2.1	-1.7	-45.6
Total receipts.....	46.1	42.8	-3.3	-7.2
Deduct:				
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	1.6	1.7	.1	4.6
(b) Refunds of receipts.....	2.3	2.8	.6	24.9
Net budget receipts.....	42.2	38.2	-4.0	-9.4

*Less than \$50 million.

¹ See table 117, footnote 2.

² Includes railroad unemployment insurance contributions for administrative expenses.

³ See table 5, footnote 3.

Decreases in receipts from the individual income tax, miscellaneous receipts, and customs in 1949 as compared with 1948 were partially offset by increases in receipts from corporation income taxes, miscellaneous internal revenue, and employment taxes.

Income and excess profits taxes accounted for slightly more than two-thirds of total receipts in 1949, about the same proportion as in 1948. Miscellaneous internal revenue accounted for 20 percent of total receipts in 1949 as compared with 18 percent in 1948.

Receipts from the individual income tax amounted to \$17.9 billion in 1949 and remained the most important source of revenue for the sixth consecutive year. Corporation income and excess profits tax collections, which amounted to \$11.6 billion, continued as the second most important source of revenue.

TOTAL RECEIPTS, CLASSIFIED BY MAJOR SOURCES

DOLLARS
Billions

Fiscal Years 1943 Through 1949

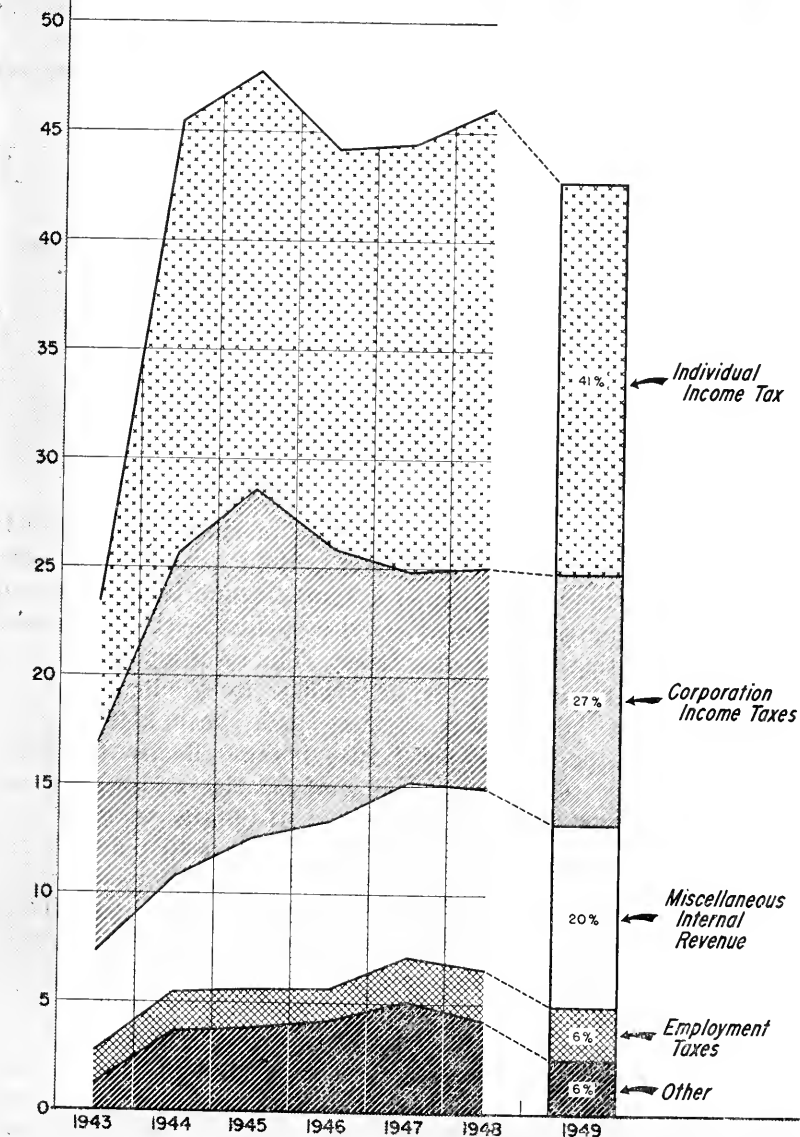


CHART 2.

RECEIPTS FROM INCOME AND EXCESS PROFITS TAXES

Receipts from income and excess profits taxes amounted to \$29.5 billion in the fiscal year 1949 as compared to \$31.2 billion in 1948. The decrease resulted from a decline in the individual income tax which was only partially offset by an increase in corporation income taxes.

Individual income taxes.—The details of the yield of the individual income tax are shown in the following table.

Source	1948	1949	Decrease	
			Amount	Percent
	In millions of dollars			
Withheld (daily Treasury statement basis).....	11, 436	9, 842	—1, 595	—13. 9
Not withheld (collection basis).....	9, 464	7, 996	—1, 468	—15. 5
Adjustment to daily Treasury statement basis ¹	+96	+91	—6	-----
Not withheld (daily Treasury statement basis).....	9, 560	8, 087	—1, 473	—15. 4
Total individual income taxes.....	20, 997	17, 929	—3, 068	—14. 6

¹ See table 117, footnote 2.

Individual income tax receipts were less in the fiscal year 1949 than in 1948 as a result of the provisions in the Revenue Act of 1948, effective January 1, 1948, for higher exemptions and lower rates, and the provision permitting married couples to divide their combined incomes in computing their income taxes. The resulting reduction in income tax liability was only partially offset by the higher level of personal income in the period affecting fiscal year 1949 receipts. The act, which was passed on April 2, 1948, became effective on May 1, 1948, with respect to the withholding of salaries and wages, and consequently reduced receipts for the entire 1949 fiscal year.

Collections of income taxes in the fiscal year 1949 reflected also over-withheld salaries and wages as well as excessive payments on declarations in the first four months of the calendar year 1948. These overpayments served to further reduce later payments on calendar year 1948 liability made on declarations and final returns in the fiscal year 1949.

Corporation income and excess profits taxes.—Receipts from this source during the fiscal year 1949 totaled \$11,554 million and were \$1,379 million, or 13.6 percent, more than the \$10,174 million in 1948. The increase resulted from rising corporate profits in the years 1946, 1947, and 1948.

RECEIPTS FROM ALL OTHER SOURCES

Miscellaneous internal revenue.—Receipts from the major groups of taxes included in this category are shown in the following table.

Source	1948	1949	Increase, or decrease (—)	
			Amount	Percent
		In millions of dollars		
Estate and gift taxes	899	797	—103	—11.4
Excise taxes:				
Liquor taxes	2,255	2,211	—45	—2.0
Tobacco taxes	1,300	1,322	22	1.7
Stamp taxes	79	73	—7	—8.4
Manufacturers' excise taxes ¹	1,638	1,761	123	7.5
Retailers' excise taxes	470	449	—21	—4.4
Miscellaneous excise taxes (including repealed) ^{2 3}	1,657	1,759	101	6.1
Total miscellaneous internal revenue ^{1 3}	8,300	8,371	71	.9
Adjustment to daily Treasury statement basis ⁴	+2	—23	—25	-----
Total miscellaneous internal revenue	8,301	8,348	47	.6

¹ Excludes taxes collected on firearms, shells, and cartridges which are included in "Miscellaneous receipts."

² See table 117, footnote 4.

³ Excludes collections of the hydraulic mining tax, which are included in "Miscellaneous receipts."

⁴ See table 7, "Note."

Estate and gift taxes.—Estate and gift taxes decreased \$103 million in the fiscal year 1949 and were 11.4 percent less than in 1948. The decrease resulted from the Revenue Act of 1948, which allowed special treatment of transfers between spouses for both the estate and gift taxes.

Excise taxes.—Total collections from excise taxes amounted to \$7,575 million in the fiscal year 1949, representing an increase in collections of \$174 million, or 2.4 percent, over 1948. Collections from tobacco taxes, manufacturers' excise taxes, and miscellaneous excise taxes continued to increase, while receipts from liquor, stamp, and retailers' excise taxes decreased.

The greatest increase occurred in collections of manufacturers' excises, which rose by \$123 million, or 7.5 percent, over 1948. This was mainly the result of extremely high production of the automotive industry and of the attendant increase in gasoline consumption.

Collections from the miscellaneous excise tax group rose to \$1,759 million, an increase of 6.1 percent over 1948, as a result of continued high demand for some of the goods and services in this group, especially in transportation and communications.

Collections from tobacco increased 1.7 percent, reflecting mainly the long-term trend in consumption.

Collections from liquor taxes decreased 2.0 percent, from \$2,255 million in 1948 to \$2,211 million in 1949. This resulted largely from

the reduced collections from distilled spirits, the primary source of revenue in this group. This continues the declining trend which was begun after 1946, the peak year for this tax. Receipts from the tax on malt liquors likewise declined, while receipts from wine increased.

Receipts from retailers' excise taxes continued to decrease, primarily as a result of lower fur sales.

Employment taxes.—The yields of the various employment taxes, on the daily Treasury statement basis, are shown in the following table.

Source	1948	1949	Increase, or decrease (—)	
			Amount	Percent
	In millions of dollars			
Federal Insurance Contributions Act.....	1,616	1,690	74	4.6
Federal Unemployment Tax Act.....	208	223	15	7.2
Railroad Retirement Tax Act.....	557	564	7	1.2
Railroad unemployment insurance contributions for administrative expenses ¹	15	10	—5	—32.9
Total employment taxes.....	2,396	2,487	91	3.8
Deduct: Appropriation to Federal old-age and survivors insurance trust fund.....	1,616	1,690	74	4.6
Net employment taxes.....	779	796	17	2.2

¹Not classified as an employment tax under Internal Revenue Code.

Total receipts from employment taxes amounted to \$2,487 million in the fiscal year 1949 and were \$91 million, or 3.8 percent, greater than in 1948. All taxes except the railroad unemployment insurance contributions for administrative expenses contributed to the increase, which established a new high in receipts from employment taxes.

The increase in receipts under the Federal Insurance Contributions Act and under the Federal Unemployment Tax Act resulted from an increase in taxable salaries and wages. Receipts under the Railroad Retirement Tax Act increased as a result of higher tax rates and larger taxable railroad pay rolls. Receipts in the fiscal year 1949 were based on a tax rate of 5¾ percent each on employers and employees for the first three quarters and on a tax rate of 6 percent for the last quarter, while in the fiscal year 1948 receipts were based on a tax rate of 5¾ percent for the entire year.

The decrease in receipts under the Railroad Unemployment Insurance Act was caused by the act of June 23, 1948 (Public Law 744, 80th Congress), which reduced receipts allocable to this account, for the period under consideration, from ¾ to ½ of one percent of taxable pay rolls. Although the credit established in favor of the railroads at the beginning of the fiscal year 1949 by the retroactive

feature of the act was sufficient to offset all payments that otherwise would have been made in the fiscal year 1949 on account of railroad unemployment insurance contributions for administrative expenses, such offsets were compensated by equivalent transfers from the railroad unemployment trust fund.

Customs.—Customs receipts in the fiscal year 1949 amounted to \$384 million and were \$37 million less than receipts in 1948. The decrease was the result of the rate concessions which were made by the United States under the General Agreement on Tariffs and Trade of October 30, 1947. The rate reductions became effective January 1, 1948, and were reflected in receipts for the entire year 1949 as compared with only one-half of the fiscal year 1948.

Miscellaneous receipts.—Miscellaneous receipts amounted to \$2,072 million in the fiscal year 1949, a decline of \$1,737 million, or 45.6 percent, as compared with 1948. The decrease was primarily the result of a decline in the sales of surplus property.

Refunds of receipts.—Refunds of receipts increased in the fiscal year 1949 principally as a result of the Revenue Act of 1948, which reduced rates and increased exemptions retroactively, causing abnormally large overpayments on calendar year 1948 individual income tax liabilities which were refunded during the fiscal year 1949.

BUDGET EXPENDITURES

Budget expenditures totaled \$40.1 billion in the fiscal year 1949, and were \$6.3 billion larger than expenditures in 1948. Expenditures for national defense, international finance and aid, veterans, and interest on the public debt constituted three-fourths of the total.

Principal purposes for which expenditures were made in the years 1948 and 1949 are shown, on the daily Treasury statement basis, in the accompanying tabulation. Details for these and earlier years are given in chart 3, and in tables 2, 3, and 5 in the tables section in this report.

Year	National defense and related activities	Inter- national finance and aid	Veterans	Interest on the public debt	All other	Total
	In billions of dollars					
1948 ¹	11.4	4.1	6.5	5.2	6.6	33.8
1949.....	11.8	² 6.0	6.9	5.3	10.0	² 40.1

¹ Revised. See table 5.

² Includes Foreign Economic Cooperation trust fund expenditures of \$3.0 billion.

National defense expenditures were nearly 30 percent of the total in 1949, and amounted to \$11.8 billion. This was \$0.4 billion more than in 1948.

Expenditures for international finance and aid were \$6.0 billion in 1949, a net increase of \$1.9 billion over those in 1948. Economic Cooperation Act outlays amounted to more than \$4.0 billion (including \$3.0 billion expended from the Foreign Economic Cooperation trust fund). This compared with \$134 million in 1948, which represented initial expenditures in the April-June quarter immediately after the act went into effect. Greek-Turkish assistance and relief in war devastated countries also increased. Partially offsetting these increases in 1949 were a decrease of \$525 million expended through the Export-Import Bank (excluding expenditures made under the Economic Cooperation Act), and a decline of \$1.7 billion resulting from expiration of the credit to the United Kingdom in 1948.

Payments for veterans increased by \$0.4 billion during 1949, but at nearly \$6.9 billion were not so large as the record of \$7.3 billion in 1947. The 1949 total was 17 percent of all budget expenditures.

Interest paid on the public debt amounted to \$5.3 billion in 1949 and was 13 percent of the total. Payments were \$128 million more than in 1948.

All other budget expenditures in 1949 amounted to \$10.0 billion. They included expenditures for certain domestic programs, such as aid to agriculture, social security, public works, and atomic energy, which together amounted to \$6.5 billion. The remaining \$3.5 billion in all other budget expenditures were those for the executive departments not shown elsewhere and the legislative and judicial branches; aids to education, labor, finance, commerce, and industry; Civil Aeronautics; Government contributions to Federal employees' retirement funds; and the Post Office deficiency. The \$10.0 billion total in 1949 represented an increase of \$3.4 billion over that of 1948, principally because of increases of \$1.8 billion for the Commodity Credit Corporation (under aid to agriculture), of \$394 million for public works, of nearly \$200 million in purchases of strategic and critical materials, of \$214 million in the Post Office Department deficiency, and \$192 million for atomic energy.

TRUST ACCOUNTS, ETC., RECEIPTS AND EXPENDITURES

Trust accounts receipts generally represent moneys received by the Government for the benefit of individuals or classes of individuals. Moneys held in trust are payable to or for the use of beneficiaries only and therefore are not included in budget expenditures of the Government. Such receipts and expenditures are classified separately in the daily Treasury statement under the title "Trust accounts, etc."

Appropriations made from the general fund to various trust accounts, such as the Government's payment to Federal employees' retirement funds and the national service life insurance fund, are

EXPENDITURES, BY MAJOR CLASSIFICATIONS

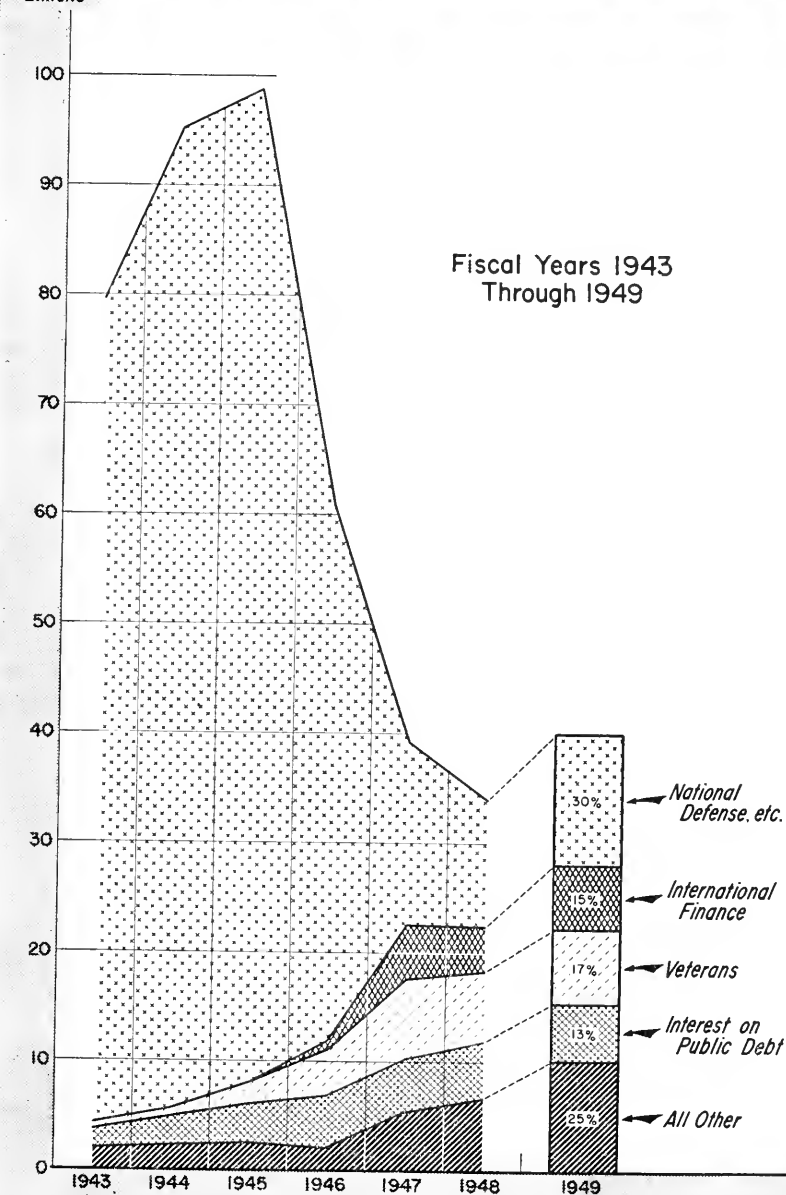
DOLLARS
BillionsFiscal Years 1943
Through 1949

CHART 3.

included in budget expenditures and under the various trust account receipts as transfers from the general fund.

A summary of the net transactions in trust accounts, etc., for the fiscal years 1932 through 1949 is shown in table 1; and receipts in and expenditures from trust accounts, etc., by major classifications for the fiscal years 1941 through 1949 are shown in table 6, and details by months for the fiscal year 1949 in table 4.

GENERAL FUND

The general fund represents all moneys of the Government deposited with and held by the Treasurer of the United States.

The assets in the general fund include certain gold, silver, currency, coin, and unclassified collection items, etc., and deposits to the credit of the Treasurer of the United States in Federal Reserve Banks, special depositaries, national and other bank depositaries, foreign depositaries, and the treasury of the Philippine Islands.

The liabilities of the general fund include outstanding Treasurer's checks, deposits of certain Government officers consisting of balances to the credit of the Post Office Department, the Board of Trustees of the Postal Savings System, and postmasters' disbursing accounts, etc., uncollected items, and exchanges.

The difference between total assets and total liabilities is the general fund balance. On the basis of the daily Treasury statement, the general fund cash balance at the close of the fiscal year 1949 amounted to \$3,470 million, a decrease of \$1,462 million during the year.

The net change in the balance of the general fund during the fiscal year is accounted for as follows:

Balance June 30, 1948.....	\$4, 932, 021, 477. 07
Add:	
Budget receipts, net.....	38, 245, 667, 810. 11
Trust accounts, etc., receipts.....	5, 714, 426 671. 10
Net increase in gross public debt.....	478, 113, 347. 34
	<hr/>
	49, 370, 229, 305. 62
Deduct:	
Budget expenditures, including wholly owned Government corporations ¹	\$40, 057, 107, 857. 79
Trust accounts, etc., expenditures.....	6, 209, 160, 036. 37
	<hr/>
	46, 266, 267, 894. 16
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks; Excess of receipts.....	366, 441, 900. 21
	<hr/>
	45, 899, 825, 993. 95
Balance June 30, 1949.....	<hr/> 3, 470, 403, 311. 67

¹ Includes expenditures of \$3,000,000,000 from Foreign Economic Cooperation trust fund. See table 1, footnote 7.

A comparative analysis of the assets and liabilities of the general fund is shown as of June 30, 1948 and 1949, in table 41.

PUBLIC DEBT OPERATIONS AND OWNERSHIP OF FEDERAL SECURITIES

The public debt amounted to \$252.8 billion on June 30, 1949, an increase of \$478 million during the year. On the same date the guaranteed obligations held by the public totaled \$27 million, a decrease of \$46 million in the year.

Despite the lack of a budget surplus, the marketable public debt was reduced by \$5.2 billion, largely through the use of the net proceeds of nonmarketable issues sold to the public and of special securities sold to the Government's trust accounts. This was the third successive year in which nonmarketable securities were the only issues to raise new money which were offered to the public. As a result of the year's operations the debt held by commercial banks again declined while the debt held by nonbank investors increased. During the first few months of the year, interest rates on the Treasury's short-term securities again were increased moderately, so that at the close of the fiscal year the average rate on the interest-bearing public debt was somewhat higher than a year earlier.

Chart 4 shows the public debt and guaranteed obligations outstanding since 1942; and the following table shows the public debt, by classes of securities, and the guaranteed obligations outstanding on June 30, 1948 and 1949, and the changes during the year (on the basis of the daily Treasury statement). The guaranteed obligations held by the public on June 30, 1939-49, classified by issuing agencies, are shown in table 14; and a description of these obligations outstanding June 30, 1949, is given in table 18.

Class of security	June 30, 1948	June 30, 1949	Increase, or decrease (-)
	In billions of dollars		
Public debt:			
Interest-bearing:			
Public issues:			
Marketable.....	160.3	155.1	-5.2
Nonmarketable.....	59.5	62.8	3.3
Total public issues.....	219.9	218.0	-1.9
Special issues to Government investment accounts.....	30.2	32.8	2.6
Total interest-bearing public debt.....	250.1	250.8	.7
Matured debt on which interest has ceased.....	.3	.2	(*)
Debt bearing no interest.....	1.9	1.8	-.2
Total public debt.....	252.3	252.8	.5
Guaranteed obligations not held by Treasury.....	.1	(*)	(*)
Total public debt and guaranteed obligations.....	252.4	252.8	.4

*Less than \$50 million.

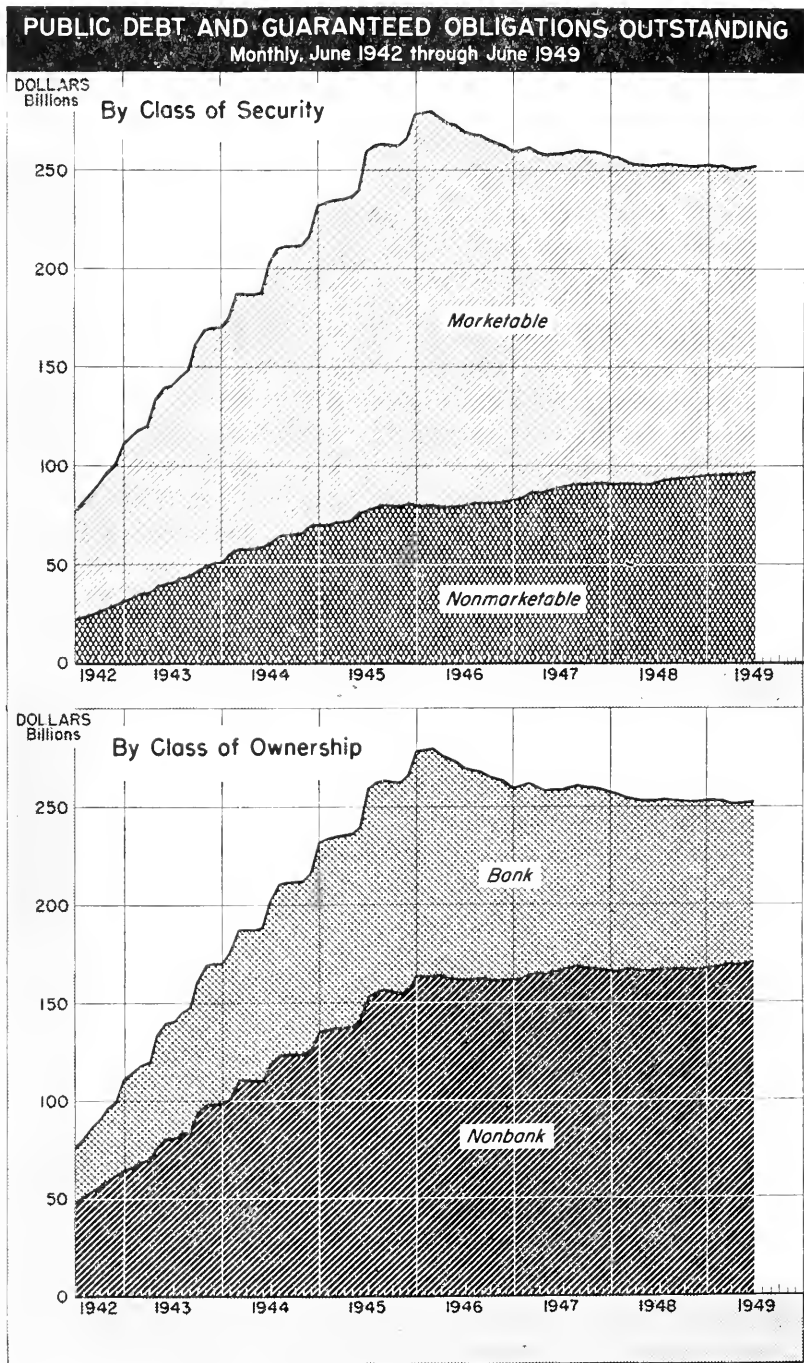


CHART 4.

Details of public debt operations and changes in ownership of the debt are given in the two sections which follow.

PUBLIC DEBT OPERATIONS

MARKETABLE ISSUES

Net retirement of marketable debt issues in the amount of \$5.2 billion during the year brought the total marketable debt down to \$155.1 billion. This amount represents a decrease of \$44.7 billion from the postwar peak on February 28, 1946. The reduction during the fiscal year 1949 consisted mainly of Treasury notes, bills, and bonds. The table following shows the changes in the marketable debt outstanding.

Class of security	June 30, 1948	June 30, 1949	Increase, or de- crease (—)
	In billions of dollars		
Treasury bills.....	13.8	11.5	—2.2
Certificates of indebtedness.....	22.6	29.4	6.8
Treasury notes.....	11.4	3.6	—7.8
Treasury bonds.....	112.5	110.4	—2.0
Other bonds (postal savings, etc.).....	.2	.2	(*)
Total marketable.....	160.3	155.1	—5.2

*Less than \$50 million.

Bonds, notes, and certificates of indebtedness.—A total of \$36.0 billion of marketable securities, exclusive of Treasury bills, matured or were called for redemption during the fiscal year 1949. The securities exchanged for new issues totaled \$33.0 billion, and approximately \$3.0 billion were paid in cash. The cash total included retirements of securities held by the Federal Reserve Banks in the amount of \$0.5 billion.

The matured and called securities consisted of ten issues of one-year certificates of indebtedness, three issues of Treasury notes, and three issues of Treasury bonds. One issue, the 2½ percent Treasury bonds of 1948, which matured on September 15, 1948, and amounted to \$451 million, was paid in full in cash. All others were refunded in operations involving eight new issues of certificates of indebtedness, totaling \$29.4 billion, and one new issue of Treasury notes amounting to \$3.6 billion.

The first of these operations took place on July 1, 1948, with the maturity of three ⅞ percent certificate issues which totaled \$6.1 billion. These issues, Series F, G, and H, 1948, carried respective maturities of one year, 11 months, and 10 months. They were refunded into a new one-year 1½ percent certificate amounting to \$5.8

billion. This continued the one-year $1\frac{1}{8}$ percent rate on certificates which became effective on January 1, 1948.

On August 9, the Secretary of the Treasury announced as a further anti-inflationary move that there would be another increase in the rates on new short-term Government securities. At the same time the Secretary also said that there would be no change in the Government's policy with regard to the long-term Treasury bonds.

Pursuant to this statement, in the September-October refinancing, an $18\frac{1}{2}$ -month $1\frac{1}{8}$ percent Treasury note, dated September 15, 1948, and maturing April 1, 1950, was offered in exchange for the four-and-one-half year $1\frac{1}{2}$ percent Treasury notes which matured on September 15; and a one-year $1\frac{1}{4}$ percent certificate was offered in exchange for the $12\frac{1}{2}$ -month 1 percent Treasury notes due October 1, and also for two issues of 1 percent certificates due October 1: Series J-1948, a one-year issue, and Series K-1948, an 11-month issue. The Treasury notes which matured September 15 amounted to \$3.7 billion and the exchanges for the new $1\frac{1}{8}$ percent note totaled \$3.6 billion. The three issues maturing October 1 totaled \$6.9 billion and exchanges for the new certificate totaled \$6.5 billion.

An announcement by the Secretary on November 16 stated that holders of the 2 percent Treasury bonds of 1948-50 (dated December 8, 1939), outstanding in the amount of \$571 million, would be offered in exchange a one-year $1\frac{1}{4}$ percent certificate dated December 15, 1948. Exchanges amounted to \$519 million. The announcement stated also that a one-year $1\frac{1}{4}$ percent certificate dated January 1, 1949, would be offered in exchange for holdings of the 13-month $1\frac{1}{8}$ percent Treasury notes and the one-year $1\frac{1}{8}$ percent certificate, both maturing January 1, and totaling \$6.1 billion. Subscriptions to this new certificate totaled \$5.7 billion.

The interest rate of $1\frac{1}{4}$ percent on one-year certificates of indebtedness was reaffirmed throughout the remainder of the fiscal year with announcements by the Secretary on January 19, February 9, March 18, and May 13 of four new $1\frac{1}{4}$ percent refunding issues in exchange, respectively, for four one-year $1\frac{1}{8}$ percent issues, which matured on the first of February, March, April, and June. The four new issues of certificates of indebtedness, which were offered on the respective dates of January 19, February 15, March 21, and May 19, were issued in the following amounts (in billions): Series B-1950, \$2.0; Series C-1950, \$2.9; Series D-1950, \$1.0; and Series E-1950, \$5.0. The maturing certificates were outstanding at the time of refunding in the

following amounts (in billions): Series B-1949, \$2.2; Series C-1949, \$3.6; Series D-1949, \$1.1; and Series E-1949, \$4.3; and the called Treasury bonds were outstanding in the amount of \$1.0 billion. The June 1 issue was offered also in exchange for the called 2 percent Treasury bonds of 1949-51 (dated January 15, 1942). In the February 1 financing operation, \$88 million of the \$196 million cash redemptions and in the March 1 financing, \$400 million of the \$632 million cash redemptions represented holdings of the Federal Reserve System.

The accompanying tables summarize the financing transactions during the year. Additional details of the operations appear in exhibits 1 through 4 and in tables 22 and 23.

*Public offerings of bonds, notes, and certificates of indebtedness, fiscal year 1949*¹

[In millions of dollars]

Date of issue	Description of security	Issued for cash	Issued in exchange for other securities	Total issued
Marketable issues				
July 1.....	1½% certificates of indebtedness, Series F-1949, due July 1, 1949.	-----	5, 783	5, 783
Sept. 15.....	1½% Treasury notes, Series A-1950, due Apr. 1, 1950.	-----	3, 596	3, 596
Oct. 1.....	1½% certificates of indebtedness: Series G-1949, due Oct. 1, 1949	-----	6, 535	6, 535
Dec. 15.....	Series H-1949, due Dec. 15, 1949.	-----	519	519
1949				
Jan. 1.....	Series A-1950, due Jan. 1, 1950	-----	5, 695	5, 695
Feb. 1.....	Series B-1950, due Feb. 1, 1950	-----	1, 993	1, 993
Mar. 1.....	Series C-1950, due Mar. 1, 1950.	-----	2, 922	2, 922
Apr. 1.....	Series D-1950, due Apr. 1, 1950.	-----	963	963
June 1.....	Series E-1950, due June 1, 1950.	-----	5, 019	5, 019
	Total marketable issues.....	-----	33, 024	33, 024
Nonmarketable issues				
Various.....	Treasury savings notes, Series C and D	3, 994	-----	3, 994
Do.....	United States savings bonds:			
	Series E.....	5, 032	-----	5, 032
	Series F and G.....	2, 935	-----	2, 935
	Subtotal savings bonds.....	7, 967	-----	7, 967
	Total nonmarketable issues.....	11, 961	-----	11, 961
	Total all issues.....	11, 961	33, 024	44, 985

¹ Excludes armed forces leave bonds, depository bonds, adjusted service bonds, excess profits tax refund bonds, United States savings stamps, the special series of certificates of indebtedness, and guaranteed obligations.

Disposition of maturing or redeemable issues of bonds, notes, and certificates of indebtedness, fiscal year 1949 ¹

[Dollars in millions]

Date of refunding or retirement	Description of security	Redeemed for cash by			Exchanged for new security	Total	Percent ex-changed
		Federal Reserve Banks ²	Others	Total			
1948	Marketable Issues						
	7½% certificates of indebtedness:						
July 1.....	Series F-1948, due July 1, 1948.....		141	141	2,601	2,742	94.9
Do.....	Series G-1948, due July 1, 1948.....		48	48	1,079	1,127	95.7
Do.....	Series H-1948, due July 1, 1948.....		106	106	2,103	2,209	95.2
Sept. 15.....	2½% Treasury bonds of 1948, due Sept. 15, 1948.....		451	451		451	
Do.....	1½% Treasury notes, Series A-1948, due Sept. 15, 1948.....		152	152	3,596	3,748	96.0
Oct. 1.....	1% Treasury notes, Series B-1948, due Oct. 1, 1948.....		180	180	3,912	4,092	95.6
	1% certificates of indebtedness:						
Do.....	Series J-1948, due Oct. 1, 1948.....		97	97	1,257	1,354	92.8
Do.....	Series K-1948, due Oct. 1, 1948.....		101	101	1,366	1,467	93.1
Dec. 15.....	2% Treasury bonds of 1948-50 (dated Dec. 8, 1939), due Dec. 15, 1948.....		52	52	519	571	90.9
1949							
Jan. 1.....	1½% Treasury notes, Series A-1949, due Jan. 1, 1949.....		236	236	3,299	3,535	93.3
	1½% certificates of indebtedness:						
Do.....	Series A-1949, due Jan. 1, 1949.....		196	196	2,396	2,592	92.4
Feb. 1.....	Series B-1949, due Feb. 1, 1949.....	88	108	196	1,993	2,189	91.1
Mar. 1.....	Series C-1949, due Mar. 1, 1949.....	400	232	632	2,922	3,553	82.2
Apr. 1.....	Series D-1949, due Apr. 1, 1949.....		92	92	963	1,055	91.3
June 1.....	Series E-1949, due June 1, 1949.....		195	195	4,106	4,301	95.5
Do.....	2% Treasury bonds of 1949-51 (dated Jan. 15, 1942), due June 15, 1949.....		101	101	913	1,014	90.0
	Total marketable issues.....	488	2,488	2,976	33,024	36,000	91.7
	Nonmarketable issues						
Various.....	Treasury tax and savings notes.....		\$ 3,532	\$ 3,532		\$ 3,532	
Do.....	United States savings bonds:						
	Series A-D.....		703	703		703	
	Series E.....		3,530	3,530		3,530	
	Series F and G.....		835	835		835	
	Subtotal savings bonds.....		5,067	5,067		5,067	
Do.....	2½% Treasury bonds, investment series.....		5	5		5	
	Total nonmarketable issues.....		8,604	8,604		8,604	
	Total all issues.....	488	11,092	11,580	33,024	44,604	

¹ Marketable issues are exclusive of postal savings bonds, and other debt items. Nonmarketable issues are exclusive of armed forces leave bonds, depository bonds, adjusted service bonds, excess profits tax refund bonds, United States savings stamps, special notes of the United States, and guaranteed obligations.

² In November 1947, arrangements were made between the Treasury and the Federal Reserve System whereby all or part of the System's holdings of certain maturing and called securities would be presented for cash redemption.

³ Includes tax and savings notes in amount of \$1,453 million surrendered in payment of taxes.

Treasury bills.—Offerings of short-term Treasury bills were made weekly during the fiscal year 1949. In further pursuance of the Treasury's policy of retiring debt held by the commercial banking system, there was a net retirement of bills totaling \$2,200 million. This amount is exclusive of the relatively small remainders of maturing securities which are turned in for cash redemption, instead of exchange, when a maturing issue is refunded into a new series of Treasury obligations. The 13 issues outstanding at the end of the fiscal year 1948

totaled \$13,757 million; the 13 issues outstanding at the end of the fiscal year 1949 totaled \$11,536 million.

One-half of the net total retired for cash was retired in the first 11 weeks of the fiscal year by weekly amounts of \$100 million each. From September 16 through October no net retirements were made. In November through January, \$500 million were retired, in amounts of \$100 million each on November 18 and 26, December 2 and 9, and January 6. In March and April \$600 million were retired. In March three retirements took place, two of \$200 million each on March 17 and 31, and one of \$100 million on March 24. The retirement of \$100 million on April 7 was the final net bill retirement during the year.

In continuation of the rise in the rate on Treasury bills which began in July 1947, the average rate in the fiscal year 1949 was increased gradually from 0.997 percent in July 1948 to a high of 1.163 percent in February and early March. Thereafter, the average rate declined to a low of 1.147 percent on May 5. It increased later, until at the end of June it stood at 1.158 percent. Bids on a fixed price basis averaged about \$56 million a week and amounted in the aggregate to about 6 percent of all bids accepted.

Further information on Treasury bills is contained in exhibits 5 through 7, and in table 23.

NONMARKETABLE ISSUES

Sales of nonmarketable public issues during the fiscal year 1949 totaled \$12.2 billion and redemptions, \$9.0 billion. The increase of \$3.2 billion in the nonmarketable public securities outstanding was due almost entirely to United States savings bonds and Treasury savings notes. The table following shows the changes in the amounts of these two classes outstanding on June 30, 1948 and 1949.

Class of security	June 30, 1948	June 30, 1949	Increase, or or decrease (-)
	In millions of dollars		
United States savings bonds:			
Series A-D:			
Unmatured.....	2,543	1,927	-616
Matured.....	59	73	14
Series E.....	31,625	33,127	1,502
Series F and G.....	19,105	21,205	2,100
Total.....	53,333	56,333	3,000
Treasury tax and savings notes:			
Unmatured.....	4,394	4,860	467
Matured.....	35	32	-4
Total.....	4,429	4,892	463
Total 2 classes.....	57,762	61,225	3,463

United States savings bonds.—Sales of savings bonds (including discount accruals) exceeded redemptions during the year by \$3.0 billion. Sales amounted to \$7.1 billion, issue price. As of June 30, 1949, the value of the unmatured bonds outstanding, at current redemption value, totaled \$56.3 billion. This amount was 22.3 percent of the total public debt and guaranteed obligations outstanding, as compared with 21.2 percent on June 30, 1948. Since their inception in 1935, savings bonds issued, with accruals added, have totaled \$87.0 billion, and redemptions have totaled \$30.6 billion. As of June 30, 1949, the redemption value of the outstanding bonds was 65 percent of the amount issued (including accruals).

Series E bond sales in 1949 reversed the declining trend which began in the fiscal year 1946. The 1949 sales of \$4.3 billion, issue price, were \$252 million larger than in 1948. Series E sales, issue price, were 60 percent of all savings bonds sold in 1949.

Two limitations on amounts of savings bond purchases were modified during the year. Individual holders of Series D-1939 savings bonds, which began maturing January 1, 1949, were permitted to reinvest the proceeds of the maturing bonds in Series E savings bonds currently on sale without regard to the \$10,000 annual limitation (maturity value) on purchases of E bonds, according to an announcement on December 20, 1948. Any part of the proceeds of the maturing Series D-1939 bonds could be reinvested up to such denominational amounts as the proceeds would fully cover. Earlier, effective for the period July 1-15, 1948, certain institutional investors were permitted to purchase Series F and Series G bonds in excess of the \$100,000 limitation, up to \$1,000,000, issue price, in the aggregate for the institutions concerned.

Redemptions of savings bonds have declined each year since 1946, when they reached their peak. This has occurred in spite of the increasing volume of matured bonds included in the total, and the growing amount of accrued discount which reflects the lengthening periods in which the bonds have been outstanding. During 1949, redemptions of all series totaled \$5.1 billion. Redemptions of Series A-D, including the matured bonds, amounted to \$703 million in 1949.

Redemptions of Series E bonds decreased by \$295 million to \$3.5 billion in 1949. This was the third successive year in which Series E bond redemptions declined. This decline in 1949 more than offset the increase of \$63 million in the redemptions of Series F and G bonds, which totaled \$835 million, and also offset the increase of \$187 million in redemptions of Series A-D bonds.

The redemption experience of savings bonds by yearly series is summarized in the following table. An analysis of these data by denominations is shown in table 33.

*Percent of savings bonds sold in each year redeemed through each yearly period thereafter*¹

[On basis of Public Debt accounts, see p. 351]

Series and calendar year in which issued	Redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
Series A through E									
A-1935	5	11	16	20	23	26	28	29	31
B-1936	6	12	17	21	24	26	28	29	30
C-1937	7	12	17	20	23	25	26	27	29
C-1938	5	10	15	18	19	21	22	24	26
D-1939	4	9	13	15	17	18	20	23	25
D-1940	4	8	11	13	15	18	20	22	25
D-1941 and E-1941	3	7	10	13	17	21	25	28	-----
E-1942	8	15	21	29	35	40	44	-----	-----
E-1943	15	24	34	41	47	51	-----	-----	-----
E-1944	19	33	41	47	52	-----	-----	-----	-----
E-1945	28	38	45	50	-----	-----	-----	-----	-----
E-1946	23	34	40	-----	-----	-----	-----	-----	-----
E-1947	21	30	-----	-----	-----	-----	-----	-----	-----
E-1948	20	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series A-E issued through Dec. 31, 1941	5	10	14	17	20	22	24	26	28
Average, Series E is- sued from Jan. 1, 1942	19	29	36	42	45	46	44	-----	-----
Series F and G									
F-1941 and G-1941	1	3	5	7	10	13	15	18	-----
F-1942 and G-1942	1	4	7	11	14	18	21	-----	-----
F-1943 and G-1943	2	6	10	14	19	22	-----	-----	-----
F-1944 and G-1944	2	6	10	14	18	-----	-----	-----	-----
F-1945 and G-1945	2	7	11	14	-----	-----	-----	-----	-----
F-1946 and G-1946	3	7	12	-----	-----	-----	-----	-----	-----
F-1947 and G-1947	3	8	-----	-----	-----	-----	-----	-----	-----
F-1948 and G-1948	2	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F and G issued from May 1, 1941	2	6	9	12	15	18	18	18	18

NOTE.—The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year, and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value. The average percentages shown above are simple averages of the percentages for the applicable annual series.

¹ Percentages by denominations may be found in table 33.

Detailed information on savings bonds from March 1935, when savings bonds were first offered, through June 1949, is published in tables 28 through 33.

Treasury notes, tax and savings series.—Treasury savings notes were sold during the fiscal year 1949 in the face amount of nearly \$4.0 billion, over \$1.9 billion more than were sold in 1948. Redemptions,

including both tax and savings notes, amounted to \$3.5 billion. Of the redemptions, \$1.5 billion were applied in payment for taxes and \$2.1 billion were paid in cash. On June 30, 1949, there were \$4.9 billion of unmatured savings notes outstanding compared with \$4.4 billion a year earlier. (See table 34.)

The sales of Series C savings notes, which began September 14, 1942, was ended at the close of business August 31, 1948, in accordance with an announcement by the Secretary of the Treasury on August 18. This issue yielded approximately 1.07 percent if held to maturity. A new issue of Treasury savings notes, Series D, was announced on August 18, and became available on September 1, 1948.

Series D savings notes under the initial terms were dated as of the first day of the month in which purchased, mature three years thereafter, and are issued at par. Interest on the notes accrues each month from month of issue, on a graduated scale, the equivalent yield if held to maturity being approximately 1.40 percent per annum. The amount of accrual each month on each \$1,000 principal amount of notes, from month of issue to month of maturity, follows:

Half-year periods after month of issue	Interest accrual each month per \$1,000	\$1,000 principal with interest accrual (cumulative) to end of period added
First ½ year.....	\$0. 80	\$1, 004. 60
¾ to 1 year.....	1. 00	1, 010. 80
1 to 1½ years.....	1. 20	1, 018. 00
1½ to 2 years.....	1. 30	1, 025. 80
2 to 2½ years.....	1. 40	1, 034. 20
2½ to 3 years.....	1. 40	1, 042. 60

Like Series C, the new notes may be presented in payment of income, estate, and gift taxes, imposed by the Internal Revenue Code, after two months from the month of issue. Cash redemptions of the new notes may be made before maturity after four months from the month of issue, which compares with the six months applied to Series C notes. Details of the terms of Series D are given in exhibit 8.

Special short-term certificates of indebtedness.—Special short-term certificates of indebtedness were sold on June 15, 1949, directly and solely to the Federal Reserve Banks in the amount of \$220 million. The certificates were issued to cover overdrafts on Treasury balances at the Federal Reserve Banks in anticipation of the receipt of income tax payments due June 15. The securities were retired in full on June 17. Interest was paid to the Federal Reserve Banks at the rate of one-fourth of 1 percent per annum. This issue was the first of its kind since March 1945.

Special issues.—During the fiscal year the Treasury continued to issue special series of interest-bearing securities for trust and other funds deposited in the Treasury. Obligations outstanding increased by \$2.6 billion during 1949 to \$32.8 billion as of June 30, 1949. Details appear in table 17.

INTEREST ON THE PUBLIC DEBT

Interest payments on the public debt during the year amounted to \$5,339 million, compared with \$5,211 million, daily Treasury statement basis, in 1948. The rise in interest payments during 1949 resulted mainly from higher payments on savings bonds and on short-term marketable securities. These increases were only partially offset by decreases in interest payments on marketable bonds, armed forces leave bonds, and tax and savings notes.

Interest payments by classes of securities on the basis of Public Debt accounts are summarized in the following table.

Class of security	1948	1949	Increase, or decrease(—)
	In millions of dollars		
Marketable:			
Treasury bills.....	132	139	7
Certificates of indebtedness.....	202	230	28
Treasury notes.....	87	141	53
Treasury and other bonds.....	2,740	2,597	-143
Subtotal.....	3,161	3,107	-54
Nonmarketable:			
Armed forces leave bonds.....	67	13	-54
United States savings bonds.....	1,150	1,327	177
Treasury tax and savings notes.....	63	57	-5
Treasury bonds, investment series.....	12	24	12
Depository bonds.....	6	7	(*)
Other.....	1	1	(*)
Subtotal.....	1,298	1,428	129
Special issues to Government investment accounts.....	728	818	89
Total.....	5,188	5,352	164
Adjustment to daily Treasury statement basis.....	23	-13	-
Total.....	5,211	5,339	-

NOTE.—Only the discount currently accruing on savings bonds is included in interest payments. On the other hand, interest on armed forces leave bonds and savings notes is paid only at time of redemption.

*Less than \$500,000.

The computed average rate on the total interest-bearing debt outstanding on June 30, 1949, was 2.236 percent, compared with 2.182 percent a year earlier. This increase was due principally to the rise in rates on short-term securities and the continued issuance of non-marketable and special issues at higher than average rates.

The yields on marketable Government securities on June 30, 1948 and 1949, are shown in chart 5.

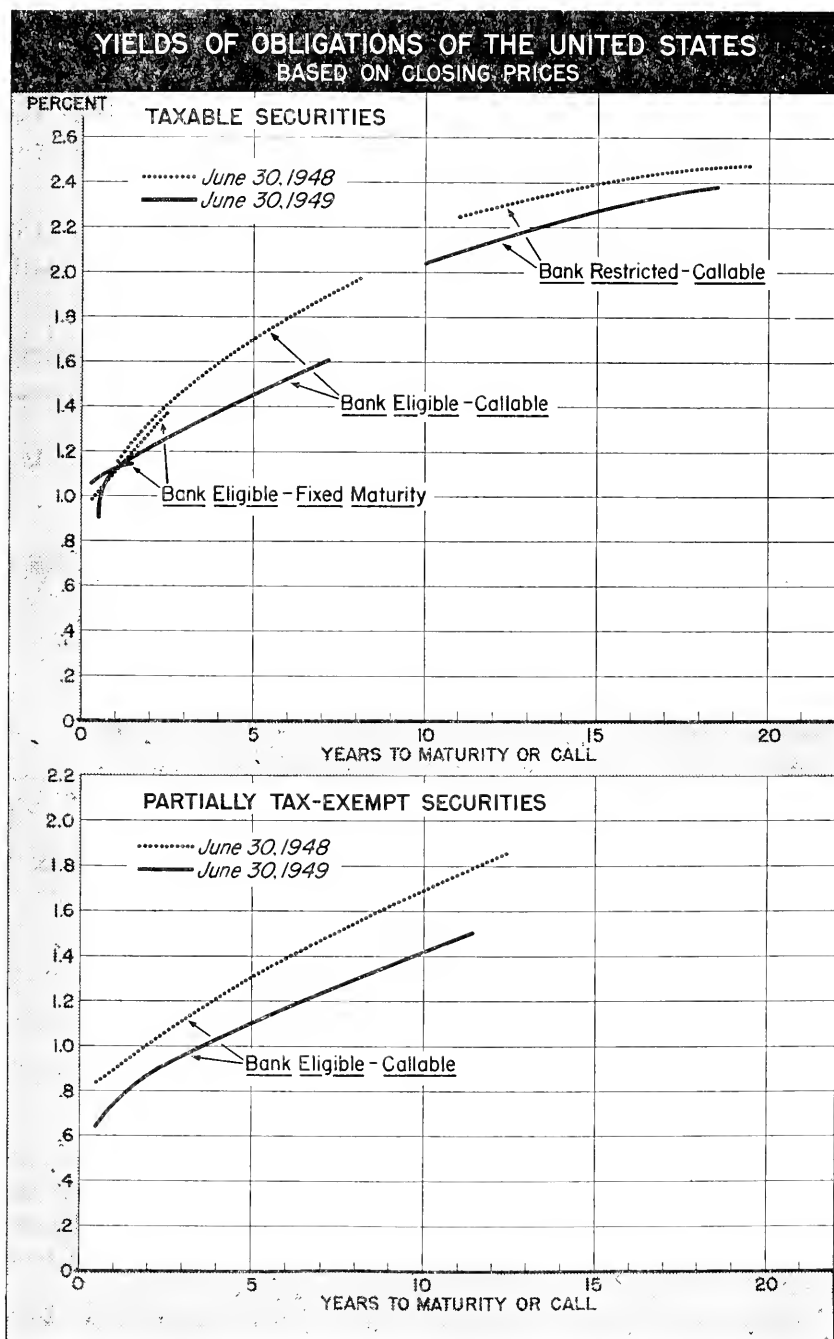


CHART 5.

NOTE.—The wholly tax-exempt Panama Canal bonds of 1961, the 2½'s of September 15, 1948—the only partially tax-exempt, fixed maturity issue outstanding on either date—and the bank-eligible 2½'s of 1967-72 have been omitted from the chart in order to avoid undue complexity.

All bank-restricted issues are callable and all partially tax-exempt issues are bank-eligible.

CUMULATIVE SINKING FUND

Credits accruing to the sinking fund in 1949 amounted to \$620 million which, added to the unexpended balance of \$5,969 million brought forward from the previous year, made available \$6,589 million for the fiscal year 1949. Of this amount, \$7 million was used toward the retirement of the 4¼ percent Treasury bonds of 1947-52, which had been called during 1948. The unexpended balance of \$6,582 million was carried forward to the fiscal year 1950.

Tables 26 and 27 show the transactions on account of this fund since its inception on July 1, 1920.

STATUTORY LIMITATION ON THE PUBLIC DEBT AND GUARANTEED OBLIGATIONS

Section 21 of the Second Liberty Bond Act, as amended by the Public Debt Act of June 26, 1946, limits the amount of obligations issued under authority of the act to \$275 billion outstanding at any one time. This limitation applies to the public debt and to those obligations of Government corporations and other business-type activities which are fully guaranteed by the United States (except such obligations held by the Treasury).

As of June 30, 1949, the unused borrowing authorization was \$23 billion. An analysis of the public debt and guaranteed obligations outstanding as affected by the debt limitation is shown in table 20.

OWNERSHIP OF FEDERAL SECURITIES ¹

Although the increase in gross Federal debt during the fiscal year 1949 amounted to only \$0.4 billion, there was an increase of \$4.0 billion in the holdings of Federal securities by nonbank investors. As a result, debt ownership by the banking system—that is, commercial banks and Federal Reserve Banks—continued its steady decline since the peak of debt reached on February 28, 1946. Since the peak, outstanding Federal securities decreased by \$27.0 billion through June 30, 1949. The decline in bank holdings of Federal securities during the same period amounted to \$34.3 billion, while nonbank investor holdings increased by \$7.3 billion. On June 30, 1949, the banking system held only 33 percent of total debt outstanding, as compared with 42 percent at the peak of debt and 39 percent on June 30, 1941.

The figures on bank and nonbank ownership, along with further detail on the holdings of Federal securities by the various investor classes, are shown in the following table.

¹ Gross public debt, and guaranteed obligations of Federal Government held outside of Treasury.

Ownership of Federal securities, by investor classes for selected dates, 1941-49 ¹

Class of investor	June 30, 1941	Feb. 28, 1946 ²	June 30	
			1948	1949
Amounts in billions of dollars				
Estimated ownership by:				
Nonbank investors:				
Individuals ³	11.5	64.6	67.0	68.9
Other nonbank investors:				
Insurance companies.....	7.1	24.8	23.2	20.9
Mutual savings banks.....	3.4	11.1	12.0	11.6
Other corporations and associations ⁴	2.4	27.9	20.7	22.7
State and local governments.....	.6	6.7	7.8	8.0
Federal Government investment accounts.....	8.5	28.0	35.7	38.3
Total other nonbank investors.....	22.0	98.4	99.4	101.5
Total nonbank investors.....	33.5	163.1	166.4	170.4
Banks:				
Commercial banks.....	19.7	93.8	64.6	63.0
Federal Reserve Banks.....	2.2	22.9	21.4	19.3
Total banks.....	21.8	116.7	85.9	82.4
Total gross debt outstanding.....	55.3	279.8	252.4	252.8
Percent of total				
Percent owned by:				
Nonbank investors:				
Individuals ³	21	23	27	27
Other nonbank investors.....	40	35	39	40
Total nonbank investors.....	61	58	66	67
Banks.....	39	42	34	33
Total gross debt outstanding.....	100	100	100	100

¹ Comprises gross public debt, and guaranteed obligations of Federal Government held outside of Treasury.² Peak of debt.³ Includes partnerships and personal trust accounts.⁴ Includes corporations other than banks and insurance companies, savings and loan associations, dealers and brokers, and investments of foreign balances and international accounts in this country.

Individuals continued during 1949 to add to their holdings of Federal securities, with net acquisitions during the year of close to \$2 billion. Individuals were, at the close of the year, the largest single investor group in the entire Federal debt ownership picture. Their holdings of approximately \$69 billion represented 27 percent of the total debt. Over \$48 billion of individuals' holdings of Federal securities were savings bonds, with \$33 billion in Series E bonds alone. The remaining \$21 billion of individuals' holdings were primarily long-term marketable securities.

Insurance companies held about \$21 billion of Federal securities on June 30, 1949, with more than \$15 billion of their holdings in bank-restricted bonds. Life insurance companies owned \$16 billion of the debt, and fire, casualty, and marine insurance companies, \$5 billion. The preference of life insurance companies for predominantly long-term debt is illustrated by the fact that on June 30,

1949, their Federal security portfolios had an average length to first call or maturity of about 14½ years.

Mutual savings banks' holdings of Federal securities amounted to \$11.6 billion on June 30, 1949, with about \$9 billion in bank-restricted bonds. The average length to first call or maturity of mutual savings banks' portfolios on June 30, 1949, was approximately 12½ years, or a little less than in the case of life insurance companies.

Holdings of Federal securities by the group of investors entitled "other corporations and associations" amounted to almost \$23 billion on June 30, 1949. Nonfinancial corporations alone held approximately \$15 billion in Federal securities on this date. Of the remaining \$8 billion, over one-third was accounted for by holdings of securities by the International Bank for Reconstruction and Development and the International Monetary Fund, and by the investment of foreign balances in the United States. Nonprofit institutions, including such groups as fraternal benefit associations, credit unions, endowments, private pension and welfare funds, labor organizations, etc., are estimated to account for about \$2 billion, with the remainder comprising holdings by dealers and brokers and by savings and loan associations. For the group of "other corporations and associations" as a whole, about \$4 billion out of the \$23 billion total was invested in savings notes and nearly \$5 billion in savings bonds; about \$1 billion was in noninterest-bearing notes issued to the International Bank and Monetary Fund; and the remaining \$13 billion was in marketable securities.

State and local governments held Federal securities on June 30, 1949, in the amount of \$8 billion, to a large extent in marketable securities. Federal Government investment accounts held \$38.3 billion of Federal securities, \$32.8 billion of which was special issues. Investments of the old-age and survivors insurance trust fund, the unemployment trust fund, veterans' life insurance funds, and other retirement funds accounted for the bulk of these holdings.

Commercial banks held \$63 billion of Federal securities at the end of the fiscal year 1949. About \$44 billion was invested in bank-eligible bonds, 75 percent of which were due or callable within 5 years. Commercial banks also held \$16 billion of bills, certificates, and notes. The average length to first call or maturity of securities held by commercial banks amounted to slightly over three years as of June 30, 1949, reflecting the policy of maintaining their portfolios of Government securities in a relatively liquid position. Holdings of Federal securities by the Federal Reserve Banks amounted to \$19.3 billion on June 30, 1949. Their portfolios on that date consisted of \$7.8 billion of bonds, \$7.2 billion of certificates and notes, and \$4.3 billion of bills.

Changes in ownership of Federal securities during 1949.—The Federal debt increase of \$0.4 billion during the fiscal year 1949 reflected the continued expansion of nonbank investors' holdings during the period and the further reduction of bank portfolios.

Marketable debt declined during the year by \$5.2 billion, three-fourths of which was in the holdings of securities by commercial and Federal Reserve Banks. This decline in bank holdings was almost evenly divided between the commercial banks and Federal Reserve Banks. At the same time nonmarketable securities, etc., increased by \$5.6 billion, with almost 95 percent accounted for by purchases of nonbank investors.

Practically all of the acquisition of nonmarketable securities by commercial banks during the year was the result of the special offering of Series F and G savings bonds during July 1948. The increase in nonbank investors' holdings of savings bonds accounted for about half of their \$5.3 billion increase in nonmarketable securities etc., during the year. The remaining half was accounted for principally by increases in special issues to Government investment accounts.

The detail on changes in holdings of various types of securities by nonbank investors, commercial banks, and Federal Reserve Banks is shown in the following table.

Estimated changes in bank vs. nonbank ownership of Federal securities by type of issue, fiscal year 1949¹

[In billions of dollars]

Class of security	Total change in amount outstanding	Change accounted for by			
		Nonbank investors	Banks		
			Total	Commercial	Federal Reserve
Marketable securities:					
Treasury bills.....	-2.2	1.5	-3.7	0.5	-4.2
Certificates of indebtedness.....	6.8	3.6	3.2	1.0	2.2
Treasury notes.....	-7.8	-3.1	-4.7	-3.1	-1.6
Treasury bonds.....	-2.1	-3.3	1.2	-1.3	1.6
Total marketable.....	-5.2	-1.3	-3.9	-1.9	-2.0
Nonmarketable securities, etc.:					
United States savings bonds.....	3.0	2.7	.3	.3	
Treasury savings notes.....	.5	.5	(*)	(*)	
Treasury bonds, investment series.....	(*)	(*)	(*)	(*)	
Armed forces leave bonds.....	-.2	-.2			
Special issues to Government investment accounts.....	2.6	2.6			
Notes to International Bank and Monetary Fund.....	-.1	-.1			
Other.....	-.1	-.1	(*)	(*)	
Total nonmarketable, etc.....	5.6	5.3	.3	.3	
Total change.....	.4	4.0	-3.6	-1.6	-2.0

* Less than \$50 million.

¹ Gross public debt, and guaranteed obligations of Federal Government held outside of Treasury.

Purchases of securities from the Treasury during 1949 amounted to \$14.7 billion. Since there were no offerings of marketables for new money during the year, the purchases represented special issues, savings bonds and savings notes, and other nonmarketable securities. As partial offsets to these sales, the Treasury redeemed \$9.0 billion of securities other than marketables during the year. These transactions affected nonbank investors almost exclusively.

Payments by the Treasury on marketable issues matured or called during the year amounted to \$5.2 billion. Of this amount, \$3.5 billion was paid on securities held by banks, principally Federal Reserve Banks. Treasury pay-offs therefore account for all but a small part of the reduction of bank holdings, since purchases of new securities approximately offset the small amount of net market sales made by the banks during the year.

Commercial bank transactions during the year resulted in net market sales of \$1.2 billion. They bought about a billion dollars of bonds and half a billion dollars of bills in the market during the period and sold over \$2½ billion of certificates and notes. During the year the Federal Reserve Banks acquired a little over \$1½ billion of bonds and \$1 billion of certificates and notes through market purchases. These purchases were to a large extent offset by the sale of bills to commercial banks and to nonbank investors, so that net Federal Reserve Bank purchases in the market amounted to only \$0.7 billion for all securities combined. The \$1½ billion of Federal Reserve Bank purchases of bonds during the year represented a net purchase of approximately \$5 billion of bonds during the first five months of the year and a net sale of approximately \$3½ billion during the remainder of the year. Despite the heavy bond purchases during the early part of the year, the Federal Reserve Bank total portfolio was \$2 billion lower on June 30, 1949, than it was a year earlier.

Purchases by "other corporations and associations," which were the principal nonbank buyers of Federal securities in the market on net balance during the fiscal year 1949, more than offset the liquidation of \$2.4 billion of Federal securities by insurance companies. Mutual savings banks sold about half a billion dollars (net) of Federal securities in the market during the year, an amount just about equal to net market purchases by individuals.

The figures for transactions in Federal securities for each of the nonbank investor classes, as well as for commercial banks and the Federal Reserve Banks, are shown in the following table.

Estimated transactions in Federal securities by investor classes, fiscal year 1949¹

[In billions of dollars]

Class of investor	Transactions with Treasury		Net market transactions	Total change in ownership
	Purchases	Redemptions and cash maturities (-) ²		
Nonbank investors:				
Individuals ³	6.7	-5.3	0.5	1.9
Other nonbank investors:				
Insurance companies .....	.3	-.2	-2.4	-2.3
Mutual savings banks .....	.2	(*)	-.5	-.3
Other corporations and associations ⁴	3.7	-4.5	2.8	2.0
State and local governments .....	.6	-.5	.1	.2
Federal Government investment accounts	2.6	-.1	(*)	2.5
Total other nonbank investors	7.4	-5.3	(*)	2.1
Total	14.1	-10.6	.5	4.0
Banks:				
Commercial banks .....	.6	-1.0	-1.2	-1.6
Federal Reserve Banks		-2.7	.7	-2.0
Total banks .....	.6	-3.7	-.5	-3.6
Total all investors	14.7	-14.3		.4

NOTE.—Special issues, Treasury bills, and guaranteed securities are included in figures on purchases and redemptions on basis of net changes in amounts outstanding (rather than gross issuances and retirements).

*Less than \$50 million.

¹ Gross public debt, and guaranteed obligations of Federal Government held outside of Treasury.

² Net decline in Treasury bills outstanding is allocated to Federal Reserve Banks, with all other changes in bill holdings considered to represent activity in the market.

³ Includes partnerships and personal trust accounts.

⁴ Includes corporations other than banks and insurance companies, savings and loan associations, dealers and brokers, and investments of foreign balances and international accounts in this country.

As shown in the preceding table, nonbank investors added \$4 billion to their holdings of Federal securities during the fiscal year 1949. There were divergent trends, however, among the major investor groups. Federal Government investment accounts acquired \$2.6 billion of special issues during 1949, reflecting in large part the continued accumulation of individuals' savings in social insurance funds. Nonfinancial corporations were significant buyers of Federal securities during the year and accounted for a large share of the \$2 billion increase in the "other corporations and associations" group. This upward trend in investment in Federal securities represented a reversal of the experience during the preceding three years when this group of investors liquidated about \$10 billion of securities, largely to provide funds for the reconversion period and for early postwar corporate expansion of plant, equipment, and inventory. Individuals also added about \$2 billion to their holdings of Federal securities during 1949, mostly because of continued purchases of savings bonds.

Life insurance companies decreased their holdings of Federal securities by close to \$3 billion during 1949, following the trend which began two years ago as new private investment opportunities appeared in

the form of an increased supply of mortgages and corporate securities. Within the insurance company total the life insurance liquidation was partly offset by an addition of \$0.5 billion by the Federal security portfolios of fire, marine, and casualty insurance companies. Mutual savings banks reduced their holdings of governments by approximately \$0.3 billion during the year while State and local portfolios rose by about \$0.2 billion.

The decline of \$27 billion in the Federal debt from February 1946 through June 1949 compares with an increase of more than twice that amount in all other debt of the country combined during the same period. Federal securities now constitute 51 percent of the total debt of the United States. This compares with 62 percent at the peak of Federal debt but is more than double the 23 percent ratio of Federal to total debt in 1939. Federal securities continue to dominate the investment portfolios of the large financial institutional groups throughout the country and to account for a significant portion of individuals' holdings of liquid assets.

The table following summarizes the net changes in ownership of Federal securities for each of the last 3 years.

Changes in ownership of Federal securities by investor classes, fiscal years 1947-49¹

[In billions of dollars]

Class of investor	1947	1948	1949
Nonbank investors:			
Individuals ²	3.0	-0.1	1.9
Other nonbank investors:			
Insurance companies.....	-2	-1.8	-2.3
Mutual savings banks.....	.7	.2	.3
Other corporations and associations ³	-3.0	-1.5	2.0
State and local governments.....	.6	.7	.2
Federal Government investment accounts.....	3.7	2.9	2.5
Total other nonbank investors.....	1.8	.1	2.1
Total nonbank investors.....	4.8	-1	4.0
Banks:			
Commercial banks.....	-14.4	-5.4	-1.6
Federal Reserve Banks.....	-1.9	-.5	-2.0
Total banks.....	-16.4	-5.9	-3.6
Total change.....	-11.5	-6.0	.4

NOTE.—For data from 1941 to 1946 see 1948 annual report, p. 39.

¹ Comprises gross public debt, and guaranteed obligations of Federal Government held outside of Treasury.

² Includes partnerships and personal trust accounts.

³ Includes corporations other than banks and insurance companies, savings and loan associations, dealers and brokers, and investments of foreign balances and international accounts in this country.

Nonbank investment in Federal securities of \$4 billion in the fiscal year 1949 more than accounted for the entire increase in total liquid assets of nonbank investors during the year. Savings accounts in commercial banks increased \$0.5 billion during 1949, but nonbank

investors' holdings of currency and checking accounts together decreased by a billion dollars. Expansion in all types of nonbank holdings of liquid assets in the year ended June 30, 1948, was held to a low level by the record Treasury surplus of \$8.4 billion during that year. With the Federal Government running at a deficit of \$1.8 billion during 1949, the dominant factor holding down the expansion of liquid assets this last year was the fact that there was only a \$1½ billion increase in private bank credit (commercial bank loans and holdings of corporate and municipal securities) for the year as a whole, as compared with an increase of nearly \$7 billion in 1948.¹

CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE GOVERNMENT

During the fiscal year 1949 the Treasury, in accordance with the President's recommendation in his 1948 Budget Message and certain provisions of law, continued to adjust the interest rates on advances to Government corporations and certain agencies to keep such rates closely in line with the interest cost to the Treasury on its borrowings. In most cases the interest rates now in effect are based upon the average rate on outstanding marketable obligations of the United States. As a matter of general practice the interest rates charged the corporations and agencies are stated in terms of the nearest one-eighth of 1 percent under such average rate. On June 30, 1949, the computed average interest rate on outstanding marketable obligations of the United States was 2.001 percent, resulting in a rate of 2 percent for the corporations and agencies involved. In instances where the advances by the Treasury are of a short-term character or involve special considerations, lower rates have been established to coordinate these rates with the interest cost to the Treasury of its short-term borrowings.

Table 66 shows, by corporations and agencies, the amounts of obligations authorized to be outstanding and the amounts actually outstanding, as of June 30, 1949, separated as to Treasury holdings and securities held by others.

In order to show the status of the Government's interest in Government corporations and certain other business-type activities, the Treasury Department compiles balance sheets from reports received from such corporations and activities which are published quarterly in the daily Treasury statement. Such balance sheets as of June 30, 1949, will be found in table 71 of this report. These balance sheets show the amount and classification of the assets, liabilities, and net worth of the various corporations and activities. The net worth is divided between that owned by the United States Government and that owned by private sources.

¹ Table 108 presents data on the relationship between Federal fiscal operations and the Nation's financial structure during the years 1941-49.

A comparative statement of the combined net investment of the United States with respect to Government corporations and certain other business-type activities, as of June 30, 1940-49, is given in table 70. Income and expense of individual corporations and activities in 1949 are shown in table 72. Sources and uses of their funds in 1949 are published in table 73.

The most significant legislative changes during 1949 affecting corporations were certain amendments to the National Housing Act. By these amendments the amount of mortgages that could be insured under the National Housing Act was increased from \$10.1 billion to \$13.2 billion as follows:

Title	Act	Increase (in millions)
National Housing Act, as amended:		
Title II.....	June 28, 1941 (Public Law 138, 77th Congress), letter of the President dated Dec. 30, 1948.	\$1,000
	July 15, 1949, effective June 30, 1949 (Public Law 171, 81st Congress).	1,300
Title VI.....	Aug. 10, 1948 (Public Law 901, 80th Congress).....	400
	Letter of the President dated June 22, 1949.....	400
Title VII.....	Aug. 10, 1948 (Public Law 901, 80th Congress).....	1,000
Total.....	.....	3,100

¹ In addition, authorization could be increased with approval of the President, which approval was given by letter from the President dated July 25, 1949.

In addition, the authorization to incur total liabilities under Title I for insured renovation and modernization loans was increased from \$165 millions to \$200 millions in accordance with the act of August 10, 1948. The unused mortgage insurance authorizations at the end of the fiscal year 1949 amounted to \$2,294.3 millions.

SECURITIES OWNED BY THE UNITED STATES GOVERNMENT

Securities owned by the Government on June 30, 1949, consisted principally of capital stock, bonds, and notes of Government corporations; securities evidencing loans made to farmers, railroads, home owners, foreign governments, etc.; and notes evidencing United States subscriptions to the International Bank for Reconstruction and Development and to the International Monetary Fund. The net face value of these securities amounted to \$17,003 million, exclusive of \$12,660 million of principal obligations of foreign governments arising out of World War I.

A statement of the securities owned by the Government on June 30, 1949, other than foreign government obligations of World War I, is shown in table 76, together with an explanation of the increase or decrease in these securities during the fiscal year 1949.

INTERNATIONAL FINANCIAL AND MONETARY DEVELOPMENTS

EUROPEAN RECOVERY PROGRAM

Operations under the European Recovery Program were the dominant factors in international finance during the fiscal year 1949. By the Economic Cooperation Act of April 3, 1948 (title I of the Foreign Assistance Act), and the related appropriation act of June 28, 1948, funds totaling \$5 billion were made available for the first year of the program. Of this amount \$4 billion could be used for either loans or grants, and \$1 billion, to be derived from public debt transactions, was provided solely for loans and for limited guaranties to United States investors in approved projects, with the guaranties totaling not more than \$300 million.

The act of April 3, 1948 established an Economic Cooperation Administration (ECA) to operate the assistance program. The assistance was to be furnished to European countries prepared to participate in a joint recovery program based upon self-help and mutual cooperation. Soon after the act was signed, the participating nations, which in July 1947 had associated themselves in a Committee for European Economic Cooperation (CEECE), set up the Organization for European Economic Cooperation (OEECE) as a continuing body to promote their own concerted recovery efforts. To assure coordination of the program with the other financial activities and policies of the United States, the act made the Administrator for Economic Cooperation a member of the National Advisory Council on International Monetary and Financial Problems.

Prior to the creation of the Economic Cooperation Administration, considerable work had been done by the CEECE and by various United States Government agencies to estimate the relative needs for assistance of the participating countries. Much difficult work still remained, both in Europe and in Washington, to achieve a final allotment of the available funds.

Grants totaling approximately \$4 billion were allocated, mainly as direct grants, but partly in the form of "conditional aid." Conditional aid was given in conjunction with a plan embodied in the Agreement on Intra-European Payments and Compensations signed by the participating countries in October 1948. The primary purpose of the plan was to reduce payments difficulties which were hampering the maintenance and expansion of intra-European trade. The plan required the participating countries to estimate the surpluses and deficits of payments they expected to have with each other during a specified period if trade between them proceeded at a level in keeping with their recovery plans. For this level of trade to be maintained, the deficit countries would have to find sufficient means of payment

acceptable to the surplus countries. As matters stood, Belgium, for example, was able to export to France goods and services to a value substantially in excess of the value of the goods and services which France could export to Belgium. France, however, not holding sufficient Belgian credits and lacking the necessary margin of gold or dollar reserves, was unable to make the excess purchases from Belgium. Under the payments plan, part of the ECA dollar grants allotted to Belgium was made conditional upon Belgium's granting an equivalent amount of aid, called "drawing rights," in Belgian francs to France. The estimated net payments indebtedness between each pair of participating countries was thus covered by the extension, in the creditor's currency, of drawing rights which the debtor country could utilize to make purchases from its creditor. Each creditor country was required to extend such drawing rights as a condition of receiving an equivalent amount of ECA conditional dollar aid to meet part of its own dollar needs.

Of the \$1 billion authorized for loans and investment guaranties, \$27.7 million was set aside for guaranties, leaving the remaining \$972.3 million to be distributed as loans. Loans were allotted only to those participating countries which were deemed capable of supporting new credit obligations, and the allocation was made in accordance with an appraisal of each country's long-term capacity to repay dollar loans and with due regard to the volume and types of grant assistance furnished it. The loans mature at the end of 1983, with amortization payments commencing June 30, 1956, and bear interest at 2½ percent, with payments beginning December 31, 1952. In accordance with the Economic Cooperation Act, the administrative work in connection with the loans was carried out by the Export-Import Bank.

The act provided for consultation between the Administrator for Economic Cooperation and the National Advisory Council on the types of assistance to be extended and the terms to be applied. Accordingly, the Administrator requested the Council's advice on these problems. The report of the Council for the period October 1, 1948–March 31, 1949 (exhibit 14, table V), shows the allocation of loans, direct grants, and conditional aid made to each country by the Economic Cooperation Administration after consultation with the Council.

Each country receiving commodities and services financed by ECA grants was required to deposit in a special account a commensurate amount of its own currency. Five percent of this local currency counterpart fund was allocated to the use of the United States Government for administrative expenses and for the purchase of strategic materials. The other 95 percent was to be held or used within the depositing country, by agreement between it and the Administrator

in consultation with the National Advisory Council, for purposes consistent with the objectives of the act, including internal monetary and financial stabilization, the stimulation of productive activity, and the exploration for and development of new sources of wealth.

The plan for counterpart funds was adopted as one means of assisting the recipients of ECA aid in promoting internal financial stability and in facilitating the financing of projects essential to recovery. During the fiscal year the Administrator consulted with the Council on the numerous proposals made by the participating countries for the use of counterpart funds. In each instance the use of the funds had to be carefully considered in the light of prevailing conditions. In its report for the period April 1–September 30, 1948 (exhibit 13), the Council commented on counterpart funds as follows:

“The proper utilization of these funds may contribute to the achievement of a sound fiscal policy and may also finance needed investments. The use of the local currency counterpart funds is, however, only one factor in bringing about improvement in European finances and must be supplemented by other fiscal and monetary measures.”

Early in 1949 the ECA, with the concurrence of the National Advisory Council, submitted to the Congress its request for an appropriation for continuance of its activities. Since the first year of the program, for which \$5 billion had been provided, expired at the beginning of April 1949, funds were requested for April–June 1949, as well as for the fiscal year 1950. The Congress authorized \$1,150 million for the remaining quarter of 1949 and \$4,280 million for the succeeding fiscal year. Authorization was also given for the use of funds from public debt transactions to make guaranties up to \$150 million less the amount which had been allocated for that purpose prior to April 3, 1949. Pending the enactment of appropriation legislation, the Reconstruction Finance Corporation was authorized to advance up to \$1 billion for the purposes of the recovery program.

During the hearings on the extension of the program, the Secretary of the Treasury as Chairman of the National Advisory Council presented to the appropriate congressional committees a statement of the Council's recommendations on the financial aspects of the program (exhibit 15). The Secretary stated that, largely as a result of United States assistance in the period before and since the start of the European Recovery Program, the participating countries, with few exceptions, had “reached a level in their production equal to or above their prewar levels, although, of course, population has increased in the meanwhile.” He noted, however, that while some of the countries participating in the program had “made substantial progress

toward attaining internal financial stability * * * in others more effort is needed to increase revenues and to eliminate unnecessary expenditures * * *. In addition to internal stabilization measures," the Secretary pointed out, "greater efforts must be made by the European countries in their export efforts so that they can become self-supporting in their international transactions after 1952."

In discussing the question of the amount of assistance which might reasonably be extended in the form of loans, the Secretary as Chairman of the National Advisory Council recommended to the Congress that the Administrator be authorized, with the advice of the Council, to determine when aid should be on a loan basis and in what amount. He pointed out that many of the ERP countries had already contracted substantial amounts of dollar debts; and he indicated that if the recipient countries had to obligate themselves for too large amounts of additional loans under the program, the long-term objectives of the program would be in danger. He stated that a prudent use of discretionary power to extend loans or grants by the Administrator would keep the field open for long-range investment projects to be financed through the private capital market and permanent lending agencies.

OTHER FINANCIAL ASSISTANCE PROGRAMS

In addition to the \$5 billion provided for the European Recovery Program, the Foreign Assistance Act of 1948 and the related appropriation act made available approximately \$2 billion for other assistance programs. This included an allotment of \$1.3 billion to the Department of the Army for government and relief in occupied areas (GARIOA), \$400 million for economic and military assistance to China, and \$225 million for special programs of military aid to Greece and Turkey; the balance was divided between the International Refugee Organization and the International Children's Emergency Fund.

Effective January 1, 1949, the President assigned to the Economic Cooperation Administration the responsibility for administering economic aid to the newly established Korean Government. Prior to this time assistance had been administered by the Department of the Army. Unexpended funds from the GARIOA appropriation for Korea were transferred to the Economic Cooperation Administration. Korea, like the European countries receiving ECA assistance, was required to make deposits of local currency commensurate with the dollar cost of supplies and services furnished it on a grant basis.

Of the \$400 million appropriated for aid to China, \$275 million was provided for economic aid to be administered in accordance with the applicable provisions of the Economic Cooperation Act. Military

and economic developments during 1949 severely restricted the implementation of the program. The economic situation in Nationalist China deteriorated rapidly, inflation continued unchecked, and by the end of the fiscal year the Chinese currency had become worthless. In April 1949, Congress extended, from April 2, 1949, to February 15, 1950, the period for which the \$275 million previously appropriated was to provide economic aid. The unutilized balance of this \$275 million, as of June 30, 1949, was approximately \$108.3 million.

Early in December 1948, the National Advisory Council reviewed the request, prepared by the Department of the Army, for an appropriation to be used for the economic recovery of Japan. The postwar Japanese economy had been characterized by acute inflationary conditions, which made economic controls difficult, and contributed to an imbalance in and a low level of trade. On the basis of assurances that economic stabilization would be expedited, the Council offered no objection to the proposed appropriation request. During 1948 the Council also reviewed the exchange rate problems of Japan. In April 1949 the Supreme Commander for the Allied Powers (SCAP) in Tokyo, following consultation with the National Advisory Council, authorized an exchange rate of 360 yen per dollar.

THE MILITARY ASSISTANCE PROGRAM

In March 1949 the Council reviewed, with special reference to the possible impact on the European Recovery Program, certain of the financial aspects of the Military Assistance Program which was under consideration by the Administration. Particular attention was given to the financial terms of such assistance as might be extended.

GOLD POLICY AND OPERATIONS

During the year the Treasury maintained without change its policy of standing ready to buy gold at the official price from all legal holders and to sell gold, freely also at the official price, to foreign governments and central banks for legitimate monetary purposes. A handling charge of $\frac{1}{4}$ of 1 percent is applied on both types of transactions. The Treasury also continued to sell gold for legitimate industrial, professional, and artistic purposes.

The total value of foreign gold offered to the Treasury during the fiscal year 1949 was \$1,036 million, and the requests from foreign governments and central banks to purchase gold with dollars, all of which were carried out, totaled \$168 million. This volume of sales of gold to the United States, both gross and net, was much lower than the volume during the two preceding fiscal years.

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

The Boards of Governors of the Fund and the Bank held their third annual meetings in Washington, September 27 to October 1, 1948. The Secretary of the Treasury, as Governor of both institutions, attended. The Boards of Governors reviewed the annual reports, amended certain by-laws of the organizations, and acted on applications for membership and for adjustments in quotas and subscriptions.

During the year the Fund engaged in several exchange transactions and concurred in certain par value changes, while the Bank concluded a number of new loans. The United States Executive Director concerned consulted the National Advisory Council as to his position on each occasion.

The Fund sold dollars in exchange for the currencies of India, Brazil, Union of South Africa, Czechoslovakia, Egypt, Costa Rica, Nicaragua, and Ethiopia. Sales were also made to Norway of Belgian francs for Norwegian kroner and of United States dollars for gold. In May 1949 Costa Rica became the first country to repurchase some of its own currency from the Fund, making payment in dollars and gold. Changes were effected in the par values of the Colombian peso, the Djbouti franc of French Somaliland, and the Mexican peso. Fund approval was also given to an initial par value for the Yugoslav dinar and the Brazilian cruzeiro. The Fund advised several of its members as to the policies appropriate for dealing with their foreign exchange problems.

The Bank made loan commitments of \$137.1 million. These comprised \$75 million to finance the expansion of hydroelectric power and telephone facilities in Brazil, \$34.1 million for electric power development in Mexico, \$16 million for the purchase of steel and electric power equipment by Belgium, and \$12 million to Dutch shipping companies for the purchase of merchant vessels. These loans raised the Bank's total loan commitments, as of June 30, 1949, to \$650.1 million.

In June 1949 legislation was enacted permitting member banks of the Federal Reserve System to deal in securities issued or guaranteed by the International Bank. This legislation is expected to contribute to a broader market in the United States for the Bank's obligations.

EXPORT-IMPORT BANK OF WASHINGTON

The National Advisory Council has statutory responsibility for coordinating, in the field of international finance, the policies and

operations of United States agencies. As the agency of the United States Government expressly established to make foreign loans, the Export-Import Bank seeks the advice of the Council on proposed loans. During the year, the Export-Import Bank authorized new credits totaling approximately \$174 million. This total included \$100 million to the Government of Israel and loans to ten Latin American Republics, Canada, Finland, and Liberia. Apart from its loan activities under the Export-Import Bank Act of 1945, the Bank, as previously noted, was made the administering agency for loans (as well as guaranties) negotiated on behalf of ECA under the Foreign Assistance Act of 1948.

UNITED STATES-MEXICAN STABILIZATION AGREEMENT

On June 17, 1949, with the approval of the Council, a United States-Mexican Stabilization Agreement was executed, supplementing the agreement between the two countries entered into in May 1947. In July 1948 Mexico had ceased to support its initial par value of 4.855 pesos per dollar, and the Supplemental Stabilization Agreement was signed following acceptance by the International Monetary Fund of a new par value of 8.65 pesos to the dollar (see exhibit 18). The 1947 Agreement had made available from the United States Stabilization Fund \$50 million for the purchase of Mexican pesos to stabilize the United States dollar-Mexican peso rate of exchange. To help maintain the new par rate, the supplemental agreement of June 1949 augmented by \$12 million the \$13 million remaining under the original agreement.

THE PRESIDENT'S PROGRAM FOR UNDERDEVELOPED AREAS

In his inaugural address of January 20, 1949, the President outlined a program, now known as Point IV, "for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas." This program, while recognizing that the greatest contribution to the economic development of underdeveloped areas would have to be made by the local populations, called for United States participation in the form of technical assistance, the fostering of United States private investment in these areas, and, when appropriate, development loans by international and United States Government lending agencies. The National Advisory Council considered the financial aspects of the program and, particularly, proposals designed to encourage investment in foreign countries by United States private capital. These proposals contemplated (1) the negotiation of treaties to assure fair treatment abroad for such investments, (2) United States Government guaranties

to investors against losses arising out of risks peculiar to foreign investments, such as the inconvertibility of foreign exchange, and, possibly, the expropriation or nationalization of properties and international war, and (3) amendments to United States tax laws to provide additional incentives to investments in foreign countries.

BERLIN CURRENCY PROBLEM

The United States, the United Kingdom, and France made further efforts to reach agreement with the Soviet Government for the establishment of a uniform currency for Berlin. But the negotiations again failed, and in March 1949 the Deutsche mark was declared to be the sole legal tender in the Western sectors of Berlin, although the Soviet mark was allowed to circulate in those sectors.

JOINT BRAZIL-UNITED STATES TECHNICAL COMMISSION

In February 1949 a Joint Brazil-United States Technical Commission, which had been engaged since September 1948 in an analysis of the factors in Brazil which tended to promote or to retard the economic development of that country, completed its report to the two governments. The report was subsequently made public. The creation of such a commission had been agreed upon by the United States Secretary of the Treasury and the Brazilian President and the Minister of Finance during the Secretary's visit to Brazil in 1947.

FOREIGN FUNDS CONTROL

During the fiscal year 1949 Foreign Funds Control was liquidated. Prior to its liquidation it took steps to carry out the program described on pages 47-50 of the Annual Report of the Secretary of the Treasury for the fiscal year ended June 30, 1948. The most important of these steps was a census taken on Form TFR-600 of assets blocked in the United States as of June 1, 1948. This census revealed that assets worth approximately a billion dollars were still blocked and showed that of this amount approximately half were held in the names of nationals of countries receiving aid from the United States pursuant to the European Recovery Program. Information with regard to this latter class of assets was turned over to the appropriate Western European governments to help them to obtain control over such assets.

On October 1, 1948, the Attorney General assumed jurisdiction with respect to assets in the United States remaining blocked as of that time, and, accordingly, the files and records of Foreign Funds Control were turned over to the Office of Alien Property, Department of Justice, on that date.

TAXATION DEVELOPMENTS

No major revenue legislation was enacted during the fiscal year 1949. The following section briefly summarizes the revenue programs suggested to the Congress by the President. Proposed legislation providing for social security revision, on which the House Ways and Means Committee held hearings during the year, is summarized in section II. Miscellaneous revenue legislation taking effect during the fiscal year is listed in exhibit 21.

I. THE PRESIDENT'S REVENUE PROGRAMS

On July 27, 1948, in his anti-inflation message to the Special Session of the 80th Congress, President Truman recommended that an excess profits tax be re-established in order to provide a Treasury surplus and act as a brake on inflation. H. R. 7109, providing for the reimposition of the excess profits tax, was introduced and referred to the Committee on Ways and Means on August 4, 1948, but was not considered by the Congress.

In his Budget Message of January 3, 1949, the President recommended new tax legislation to raise revenues by \$4 billion. He said, "In a period of high prosperity it is not sound public policy for the Government to operate at a deficit. A Government surplus at this time is vitally important to provide a margin for contingencies, to permit reduction of the public debt, to provide an adequate base for future financing of our present commitments, and to reduce inflationary pressures."

On January 5, 1949, in his State of the Union Message, and in his Economic Report submitted to the Congress on January 7, 1949, the President stated that the principal source of this additional revenue should be additional taxes on corporate profits. A portion should come from revised estate and gift taxes, and consideration should be given to raising personal income tax rates in the middle and upper brackets. In his Economic Report, he expressed the view that some additional excise taxes might be desirable, but other excise taxes, particularly on oleomargarine, should be repealed. In addition, he recommended an increase in social security contributions under existing and extended social insurance programs. The President expressed the opinion that this would exert an anti-inflationary effect in addition to that of the \$4 billion increase in taxes he recommended. He also stated that the national tax policy should be flexible and should be promptly adjusted to the changing needs of business and consumers in the course of evolving economic events.

Secretary Snyder in his statement before the Joint Committee on the Economic Report on February 10, 1949, supported the President's recommendation to increase revenues by \$4 billion. He declared that it is vitally important that the Federal Government have a substantial surplus in periods of prosperity to permit a reduction in the public debt. He urged the Congress to enact a tax program, as suggested by the President, as soon as possible.

II. PROPOSED REVISION OF THE SOCIAL SECURITY ACT

On January 5, 1949, in his Message on the State of the Union, the President advised the Congress to expand the social security program, both as to size of benefits and extent of coverage, against the economic hazards due to unemployment, old age, sickness, and disability. He said, "The present coverage of the social security laws is altogether inadequate, and benefit payments are too low. One-third of our workers are not covered. Those who receive old-age and survivors insurance benefits receive an average payment of only \$25 a month. Many others who cannot work because they are physically disabled are left to the mercy of charity."

During the year the House Ways and Means Committee held public hearings on the Administration's social security program. Testimony was received on the public assistance and welfare features of social security from February 28 through March 23, 1949, and on old-age, survivors, and disability insurance from March 24 through April 27. Commissioner Schoeneman of the Bureau of Internal Revenue, who appeared as a witness on April 1, 1949, presented the Bureau's views concerning the administrative problems involved in connection with the proposed extension of coverage under the bill H. R. 2893 (see exhibit 20).

The Ways and Means Committee's draft of a new bill (H. R. 6000) to extend and improve the Federal old-age and survivors insurance system and to amend the public assistance and child welfare provisions of the Social Security Act was introduced by Chairman Doughton on August 15, 1949.

ESTIMATES OF RECEIPTS

(On the basis of existing legislation)

The Secretary of the Treasury is required each year to prepare and submit in his annual report to the Congress estimates of the public revenue for the current fiscal year and for the fiscal year next

ensuing (Public No. 129, 59th Congress, February 26, 1907). The estimates of receipts from taxes and customs are now made by the Treasury Department in December of each year on the basis of legislation existing at the time of making the estimates. The estimates of miscellaneous receipts are prepared in general by the agency depositing the receipts in the Treasury.

The details of estimated and actual receipts are shown in table 117, which includes receipts under proposed legislation. The term "net budget receipts" as used in this report has the same significance as the term "budget receipts" used in the Budget document.

TOTAL AND NET BUDGET RECEIPTS

Estimated net budget receipts of \$37,763.2 million and \$37,245.6 million in the fiscal years 1950 and 1951, respectively, continue the decline in net budget receipts from the postwar peak of \$42,210.8 million reached in 1948. The decline of \$3,965.1 million in net budget receipts in 1949 resulted from the tax reductions incorporated in the Revenue Act of 1948. The relatively small declines of \$482.4 million and \$517.6 million estimated for 1950 and 1951 result principally from an estimated falling off in receipts from corporation income and excess profits taxes and the continuing decline in miscellaneous receipts.

Total receipts, before deductions for refunds of receipts and the appropriation to the Federal old-age and survivors insurance trust fund, are estimated at \$42,185.3 million in 1950 and \$41,911.7 million in 1951 as compared with actual total receipts of \$42,773.5 million for 1949. Receipts from the individual income tax and miscellaneous internal revenue are estimated to remain relatively unchanged in the three fiscal years. Receipts from corporation income and excess profits taxes and miscellaneous receipts are estimated to show substantial declines. Employment taxes are estimated to increase in the fiscal year 1950 as a result of a change in method of collection and an increase in tax rate, and in the fiscal year 1951 as a result of a full year's collection under the higher tax rate.

As is shown in the table that follows the relative importance of the various tax sources remains stable throughout the period from 1948 through 1951. The most significant change in any tax source is estimated to occur in employment taxes, which increase from 5.2 percent of total receipts in 1948 to 8.0 percent in 1951. The nontax source, miscellaneous receipts, shows a steady decline from 8.3 percent in 1948 to 2.6 percent in 1951.

Percentage distribution of total receipts, by sources

Source	Actual, 1948	Actual, 1949	Estimated, 1950	Estimated, 1951
Individual income tax.....	45.5	42.0	42.6	43.5
Corporation income and excess profits taxes.....	22.1	27.0	26.5	25.1
Miscellaneous internal revenue.....	18.0	19.5	19.7	19.9
Employment taxes ¹	5.2	5.8	7.2	8.0
Customs.....	.9	.9	.9	.9
Miscellaneous receipts.....	8.3	4.8	3.1	2.6
Total receipts.....	100.0	100.0	100.0	100.0

¹ Includes Railroad Unemployment Insurance Act receipts.

FISCAL YEAR 1950

Actual receipts in the fiscal year 1949 and estimated receipts in 1950 are compared by major sources in the following table.

Source	Actual, 1949	Estimated, 1950	Increase, or decrease (—)
	In millions of dollars		
Individual income tax.....	17,928.6	17,971.0	42.4
Corporation income and excess profits taxes.....	11,553.7	11,175.0	—378.7
Miscellaneous internal revenue.....	8,348.0	8,328.0	—20.0
Employment taxes ¹	2,486.7	3,047.7	561.0
Customs.....	384.5	375.0	—9.5
Miscellaneous receipts.....	2,072.0	1,288.6	—783.4
Total receipts.....	42,773.5	42,185.3	—588.2
Deduct:			
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	1,690.3	2,245.0	554.7
(b) Refunds of receipts.....	2,837.5	2,177.0	—660.5
Net budget receipts.....	38,245.7	37,763.2	—482.4

¹ Includes Railroad Unemployment Insurance Act receipts.

Net budget receipts in the fiscal year 1950 are estimated to amount to \$37,763.2 million, a decrease of \$482.4 million from actual net budget receipts in 1949. The largest decline is attributable to miscellaneous receipts, which for the most part represent receipts from nontax sources. Net tax receipts are expected to increase despite the declines estimated for the corporation income and excess profits taxes, miscellaneous internal revenue, and customs, because of the large decrease in the deduction item "Refunds of receipts". The large increase estimated in receipts from employment taxes does not affect net budget receipts significantly as the entire amount collected under the Federal Insurance Contributions Act, which is responsible for nearly all of the increase in receipts from employment taxes, is transferred to the Federal old-age and survivors insurance trust fund.

Individual income taxes.—The details of the yield of the individual income tax are shown in the following table.

Source	Actual, 1949	Estimated, 1950	Increase, or decrease (—)
	In millions of dollars		
Withheld.....	9,841.5	9,839.0	—2.5
Not withheld.....	8,087.1	8,132.0	44.9
Total individual income tax.....	17,928.6	17,971.0	42.4

Estimated receipts from the individual income taxes are slightly higher in the fiscal year 1950 and remain relatively unchanged from actual receipts in 1949.

Corporation income and excess profits taxes.—The details of the yield of the taxes from this source are shown in the table following.

Source	Actual, 1949	Estimated, 1950	Decrease
	In millions of dollars		
Income tax.....	11,342.6	11,075.0	—267.6
Excess profits taxes.....	211.0	100.0	—111.0
Total corporation income and excess profits taxes.....	11,553.7	11,175.0	—378.7

Corporation income tax receipts in the fiscal year 1949 reflect incomes of calendar years 1947 and 1948, while receipts in the fiscal year 1950 reflect incomes of the calendar years 1948 and 1949. Decreased corporation profits in the calendar year 1949 are responsible for the decline in receipts. Excess profits tax collections, which in both 1949 and 1950 almost entirely represent back tax collections, are expected to decline in the fiscal year 1950.

Miscellaneous internal revenue.—Collections from this source by major groups are listed in the following table.

Source	Actual, 1949	Estimated, 1950	Increase, or decrease (—)
	In millions of dollars		
Estate and gift taxes.....	796.5	697.0	—99.5
Liquor taxes.....	2,210.6	2,247.0	36.4
Tobacco taxes.....	1,321.9	1,338.0	16.1
Stamp taxes.....	72.8	71.0	—1.8
Manufacturers' excise taxes.....	1,761.2	1,793.0	31.8
Retailers' excise taxes.....	449.2	426.0	—23.2
Miscellaneous excise taxes.....	1,758.9	1,756.0	—2.9
Adjustment to daily Treasury statement basis.....	—23.1	—	23.1
Total miscellaneous internal revenue.....	8,348.0	8,328.0	—20.0

Miscellaneous internal revenue receipts are estimated to decrease by \$20.0 million in 1950. In this group the estimated decline of \$99.5 million in collections from estate and gift taxes reflects the effects of the Revenue Act of 1948 which allows special treatment of transfers between spouses. Collections from other major items of this group show relatively small changes, reflecting current consumption trends. Collections from the tax on passenger automobiles are expected to increase significantly in the fiscal year 1950 as receipts reflect the peak production months of the calendar year 1949 reached in the latter part of the year, as well as the high production period of the calendar year 1950 which is expected to be attained early in that year.

Employment taxes.—The yields of the various employment taxes are as follows:

Source	Actual, 1949	Estimated, 1950	Increase
	In millions of dollars		
Federal Insurance Contributions Act.....	1,690.3	2,245.0	554.7
Federal Unemployment Tax Act.....	222.8	223.0	.2
Railroad Retirement Tax Act.....	563.8	570.0	6.2
Railroad Unemployment Insurance Act ¹	9.7	9.7	-----
Total employment taxes.....	2,486.7	3,047.7	561.0
Deduct: Appropriation to Federal old-age and survivors insurance trust fund.....	1,690.3	2,245.0	554.7
Net employment taxes.....	796.4	802.7	6.3

¹ Not classified as an employment tax under the Internal Revenue Code.

An increase in tax rate and a changed method of collection are responsible for most of the increase in receipts from employment taxes in the fiscal year 1950 as compared with 1949. The tax rate under the Federal Insurance Contributions Act increased from 1 percent each on employer and employee to 1½ percent effective January 1, 1950. Also effective January 1, 1950, collections of this tax from certain employers are payable on a monthly, instead of a quarterly, basis. The change in the method of collection results in estimated receipts in the transition year of 1950 somewhat in excess of one year's liabilities.

Customs.—Customs receipts are estimated to amount to \$375.0 million in the fiscal year 1950, a slight decrease from the \$384.5 million of actual receipts for 1949.

Miscellaneous receipts.—Miscellaneous receipts are estimated to amount to \$1,288.6 million in the fiscal year 1950, a decrease of \$783.4 million from actual receipts in 1949. Receipts from sales of surplus property are expected to decline. In addition, certain receipts, notably for the Farmers' Home Administration and public housing programs, which were formerly deposited to miscellaneous

receipts, are now deducted from the expenditures of the programs involved. These accounting changes have no effect on the surplus or deficit.

Refunds of receipts.—Refunds of receipts are estimated to amount to \$2,177.0 million in the fiscal year 1950 as compared with actual refunds of \$2,837.5 million in 1949. Refunds in 1949 were considerably above what would be expected in the absence of change in revenue law, principally because of the large overwithholding in the first four months of the calendar year 1948 prior to the passage of the Revenue Act of 1948, which decreased rates and increased exemptions retroactively to January 1, 1948.

FISCAL YEAR 1951

Estimated receipts in the fiscal years 1950 and 1951 are compared by major sources in the following table.

Source	Estimated, 1950	Estimated, 1951	Increase, or decrease (—)
	In millions of dollars		
Individual income tax.....	17,971.0	18,246.0	275.0
Corporation income and excess profits taxes.....	11,175.0	10,518.0	—657.0
Miscellaneous internal revenue.....	8,328.0	8,334.0	6.0
Employment taxes ¹	3,047.7	3,342.9	295.2
Customs.....	375.0	375.0	—
Miscellaneous receipts.....	1,288.6	1,095.8	—192.8
Total receipts.....	42,185.3	41,911.7	—273.6
Deduct:			
(a) Appropriation to Federal old-age and survivors insurance trust fund.....	2,245.0	2,515.0	270.0
(b) Refunds of receipts.....	2,177.0	2,151.1	—25.9
Net budget receipts.....	37,763.2	37,245.6	—517.6

¹ Includes Railroad Unemployment Insurance Act receipts.

Net budget receipts in the fiscal year 1951 are estimated to amount to \$37,245.6 million, a decrease of \$517.6 million from estimated net budget receipts in 1950. The decrease in receipts from corporation income and excess profits taxes is the principal factor in this decline. The decrease estimated for miscellaneous receipts is offset by estimated increases in receipts from individual income taxes and in receipts from miscellaneous internal revenue. The major portion of the increase estimated for employment taxes does not affect net budget receipts.

Individual income taxes.—The detail of the yield of the individual income tax is shown in the following table.

Source	Estimated, 1950	Estimated, 1951	Increase
	In millions of dollars		
Withheld.....	9,839.0	10,075.0	236.0
Not withheld.....	8,132.0	8,171.0	39.0
Total individual income tax.....	17,971.0	18,246.0	275.0

Receipts from income tax withheld are primarily responsible for the increase in individual income taxes. Receipts from the individual income tax not withheld are expected to increase slightly.

Corporation income and excess profits taxes.—The details of the taxes from this source are shown in the following table.

Source	Estimated, 1950	Estimated, 1951	Decrease
	In millions of dollars		
Income tax.....	11,075.0	10,458.0	—617.0
Excess profits tax.....	100.0	60.0	—40.0
Total corporation income and excess profits taxes.....	11,175.0	10,518.0	—657.0

The combined corporation incomes for the calendar years 1949 and 1950, which are reflected in receipts in the fiscal year 1951, are estimated to be less than the combined incomes for the calendar years 1948 and 1949, which are reflected in receipts in the fiscal year 1950, and corporation income tax receipts are estimated accordingly to be less in the fiscal year 1951.

Miscellaneous internal revenue.—Collections from this source by major groups are shown in the following table.

Source	Estimated, 1950	Estimated, 1951	Increase, or decrease (—)
	In millions of dollars		
Estate and gift taxes.....	697.0	692.0	—5.0
Liquor taxes.....	2,247.0	2,290.0	43.0
Tobacco taxes.....	1,335.0	1,352.0	14.0
Stamp taxes.....	71.0	68.0	—3.0
Manufacturers' excise taxes.....	1,793.0	1,705.0	—88.0
Retailers' excise taxes.....	426.0	431.0	5.0
Miscellaneous excise taxes.....	1,756.0	1,796.0	40.0
Total miscellaneous internal revenue.....	8,328.0	8,334.0	6.0

Miscellaneous internal revenue receipts are estimated to increase slightly in the fiscal year 1951 as compared with estimated receipts for 1950. Collections from most of the excise tax groups are expected to increase in 1951 but are partially offset by a decline in collections from the tax on passenger automobiles from the abnormally high level estimated for 1950.

Employment taxes.—Receipts from the various employment taxes are shown in the following table.

Source	Estimated, 1950	Estimated, 1951	Increase
	In millions of dollars		
Federal Insurance Contributions Act.....	2,245.0	2,515.0	270.0
Federal Unemployment Tax Act.....	223.0	224.0	1.0
Railroad Retirement Tax Act.....	570.0	594.0	24.0
Railroad Unemployment Insurance Act ¹	9.7	9.9	.2
Total employment taxes.....	3,047.7	3,342.9	295.2
Deduct: Appropriation to Federal old-age and survivors insurance trust fund.....	2,245.0	2,515.0	270.0
Net employment taxes.....	802.7	827.9	25.2

¹ Not classified as an employment tax under the Internal Revenue Code.

Receipts from employment taxes are estimated to increase in the fiscal year 1951 as compared with the estimated receipts for 1950. Receipts under the Federal Insurance Contributions Act are responsible for the largest part of the increase. Receipts in the fiscal year 1951 will reflect a full year's liabilities under the higher rate effective January 1, 1950, whereas receipts in the fiscal year 1950 will reflect only a part year effect. The increase of receipts in the fiscal year 1951 would be greater were it not for the fact that receipts in the fiscal year 1950 will reflect more than one year's liabilities because of the changed method of collection effective January 1, 1950.

Customs.—Customs receipts are estimated to be \$375.0 million in the fiscal year 1951, continuing at the same level estimated for 1950.

Miscellaneous receipts.—Miscellaneous receipts, reflecting a continuation of the decline in receipts from sales of surplus property, are estimated to amount to \$1,095.8 million in the fiscal year 1951, as compared with estimated receipts of \$1,288.6 million in 1950.

Refunds of receipts.—Refunds of receipts in the fiscal year 1951 are estimated to be slightly less than refunds in 1950.

ESTIMATES OF EXPENDITURES

Actual expenditures for the fiscal year 1949 and estimates for the fiscal years 1950 and 1951 are summarized in the following table. Further details will be found in table 117. The estimates are based upon figures submitted to the Congress in the Budget for 1951.

*Actual budget expenditures for the fiscal year 1949 and estimated expenditures for 1950 and 1951*¹

[In millions of dollars. On basis of 1951 Budget document]

Unit	Actual, fiscal year 1949 ²	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Agriculture Department:			
Commodity Credit Corporation.....	1,653.0	1,555.5	925.8
Other.....	1,096.5	1,297.8	1,489.6
Atomic Energy Commission.....	620.9	673.0	816.8
Civil Service Commission.....	243.9	325.2	353.3
Commerce Department.....	661.8	834.3	877.5
Defense Department.....	13,985.1	14,525.8	14,111.7
Economic Cooperation Administration:			
European recovery.....	4,039.7	3,895.1	3,250.0
Other.....	131.7	181.1	.1
Export-Import Bank of Washington.....	-56.8	71.4	47.8
Federal Security Agency ⁴	1,312.8	1,545.3	2,231.8
General Services Administration.....	507.7	797.2	920.7
Housing and Home Finance Agency.....	-77.2	-49.1	116.5
Interior Department.....	484.8	637.7	752.5
Labor Department ⁴	15.3	156.8	229.5
U. S. Maritime Commission.....	133.3	162.2	222.3
Mutual defense assistance.....		160.0	645.0
Post Office Department (general fund).....	533.6	572.8	163.9
Railroad Retirement Board.....	593.6	612.9	603.5
Reconstruction Finance Corporation.....	355.5	1,034.0	1,128.5
State Department.....	316.7	358.4	285.1
Treasury Department:			
Interest on the public debt.....	5,352.3	5,725.0	5,625.0
Other.....	734.1	663.3	700.3
Veterans' Administration.....	6,556.6	6,765.9	5,989.2
Miscellaneous foreign aid funds appropriated to the President.....		77.9	155.0
Reserve for contingencies.....		50.0	175.0
All other.....	589.8	667.3	622.5
Adjustment to daily Treasury statement basis.....	272.4		
Total budget expenditures.....	40,057.1	43,296.6	42,438.8

¹ These figures are taken from the 1950 Budget document. They are based upon the Treasury's Combined Statement of Receipts, Expenditures and Balances, and therefore differ from figures published in the daily Treasury statement.

² Includes expenditures made out of Foreign Economic Cooperation trust fund pursuant to sec. 114 (f) of the Economic Cooperation Act of 1948.

³ Includes certain funds for other foreign-aid programs.

⁴ The Bureau of Employment Security was transferred from the Federal Security Agency to the Labor Department, effective in August 1949.

ADMINISTRATIVE REPORTS

GENERAL ADMINISTRATION

The general administration of the Treasury Department during the fiscal year was marked by significant extensions of certain management techniques already in use in the Treasury. At the beginning of the fiscal year 1948 the Secretary of the Treasury established a committee to direct management studies of the Bureau of Internal Revenue. The committee is composed of Department and Bureau headquarters and field personnel and is charged with the duty of reviewing and advising the Commissioner of Internal Revenue on the many-sided management problems of the Bureau of Internal Revenue and the results of management studies, an all-encompassing project which will extend over a period of several years. The Commissioner engaged the management firm of Cresap, McCormick & Paget to conduct an evaluation of the work processes and procedures of Collectors' offices. This was one of the first management studies made in the Bureau by an outside management firm. Results thus far from this and other internal studies have been beneficial and it is hoped that within the next fiscal year significant implementation of the proposals will have been accomplished.

Meanwhile, the Treasury's over-all management program proceeded steadily. The application of the findings of the management studies of the Bureau of Customs and the United States Coast Guard, conducted by the McKinsey & Co. management firm and Ebasco Services, Inc., was carried much further. A final evaluation of these studies is not yet available because of the long-range character of many of the proposals.

Throughout the year work simplification continued to be emphasized in the principal operating bureaus of the Department. This program was first initiated in the Bureau of Internal Revenue and has since been applied to the Fiscal Service (consisting of the Bureaus of Accounts and Public Debt and the Office of the Treasurer of the United States), the Bureau of Federal Supply (since July 1, 1949, a part of the new General Services Administration), the United States Secret Service, the Office of Administrative Services, and the Bureau of Customs. The Bureaus of the Mint and of Engraving and Printing both have utilized certain parts of the program, although the application is necessarily limited in those bureaus because of the manufacturing characteristics of their operations.

There were also certain steps taken to improve budgeting in the Office of the Secretary. All of these programs have been in line with a general management program to simplify organization and streamline operations. One of the more important budget improvements was the assimilation of the Division of Personnel budget into the Office of the Secretary budget. This step brought the Office of Personnel into the group designated as the Office of the Secretary. The responsibilities of the Director of Personnel were not changed inasmuch as he continues to advise the Office of the Secretary on personnel policy and to supervise the Department's decentralization of personnel operations which has been under way for some time.

In the field of cash awards the Treasury made progress in general decentralization of the operations of that program. Toward the end of the fiscal year the regulations governing the cash awards program were revised in order to decentralize to the bureaus, offices, and divisions the payment of awards of \$25 or less for certain types of suggestions. This will undoubtedly reduce the work load at the departmental and bureau levels and should expedite final action on suggestions at all levels. This program, which was begun in August 1947, has brought an estimated savings to the Department of about a half million dollars. To date there have been received 12,034 suggestions by all committees, of which 8,321 have been forwarded to the departmental committee. Of this number, 7,824 suggestions have been acted upon by the departmental committee, 1,133 have merited adoption, and awards have been paid totaling more than \$25,000.

BUREAU OF THE COMPTROLLER OF THE CURRENCY ¹

The Bureau of the Comptroller of the Currency is responsible for the execution of laws relating to the supervision of national banking associations. Duties of the office include those incident to the formation and chartering of new national banking associations, the establishment of branch banks, the consolidation of banks, the conversion of State banks into national banks, the issuance and retirement of preferred stock, and the issuance of Federal Reserve notes.

CHANGES IN THE CONDITION OF ACTIVE NATIONAL BANKS

The total assets of the 4,993 active national banks in the United States and possessions on June 30, 1949, amounted to \$85,099 million, as compared with the total assets of 5,004 banks amounting to \$85,341 million on June 30, 1948, a decrease of \$242 million during the year. The deposits of the banks in 1949 totaled \$78,451 million, which was \$549 million less than in 1948. The loans and securities totaled \$63,708 million, a decrease of \$136 million during the year. Capital funds of \$5,828 million were \$282 million more than in the preceding year.

The assets and liabilities of the active national banks are shown in the following statement.

Abstract of reports of condition of active national banks on the date of each report from June 30, 1948, to June 30, 1949

[In thousands of dollars]

	June 30, 1948 (5,004 banks)	Dec. 31, 1948 (4,997 banks)	Apr. 11, 1949 (4,996 banks)	June 30, 1949 (4,993 banks)
ASSETS				
Loans and discounts, including overdrafts.....	22,303,042	23,818,513	22,941,026	22,578,120
U. S. Government securities, direct obligations.....	36,226,156	34,977,410	34,582,806	35,595,411
Obligations guaranteed by U. S. Government.....	5,251	2,853		2,087
Obligations of States and political subdivisions.....	3,207,888	3,190,189	3,289,963	3,410,267
Other bonds, notes, and debentures.....	1,943,659	1,898,185	1,901,718	1,959,419
Corporate stocks, including stocks of Federal Reserve Banks.....	158,271	159,716	161,062	162,609
<i>Total loans and securities.....</i>	<i>63,844,267</i>	<i>64,046,866</i>	<i>62,876,575</i>	<i>63,707,913</i>

¹ More detailed information concerning the Bureau of the Comptroller of the Currency is contained in the annual report of the Comptroller.

*Abstract of reports of condition of active national banks on the date of each report
from June 30, 1948, to June 30, 1949—Continued*

[In thousands of dollars]

	June 30, 1948 (5,004 banks)	Dec. 31, 1948 (4,997 banks)	Apr. 11, 1949 (4,996 banks)	June 30, 1949 (4,993 banks)
ASSETS—Continued				
Cash, balances with other banks, including reserve balances, and cash items in process of collection.....	20,465,498	23,024,269	20,855,906	20,376,181
Bank premises owned, furniture and fixtures.....	553,887	573,557	584,507	587,617
Real estate owned other than bank premises.....	8,635	9,559	10,051	12,351
Investments and other assets indirectly representing bank premises or other real estate.....	45,337	43,794	45,262	48,414
Customers' liability on acceptances outstanding.....	112,554	113,037	89,356	75,325
Interest, commissions, rent, and other income earned or accrued but not collected.....	143,780	152,578	146,977	150,161
Other assets.....	167,154	171,332	156,426	141,488
Total assets.....	85,341,112	88,135,052	84,765,060	85,099,450
LIABILITIES				
Demand deposits of individuals, partnerships, and corporations.....	45,203,667	47,004,636	44,318,284	44,470,804
Time deposits of individuals, partnerships, and corporations.....	18,830,881	18,828,056	18,907,230	19,008,719
Deposits of U. S. Government and postal savings.....	1,367,862	1,504,408	1,815,957	1,451,478
Deposits of States and political subdivisions.....	5,175,811	5,230,758	5,294,587	5,398,970
Deposits of banks.....	7,305,787	7,843,607	6,887,424	6,946,245
Other deposits (certified and cashiers' checks, etc.).....	1,115,980	1,236,551	887,431	1,175,252
Total deposits.....	78,999,988	81,648,016	78,110,913	78,451,468
<i>Demand deposits</i>	<i>59,320,732</i>	<i>61,937,877</i>	<i>58,249,770</i>	<i>58,967,215</i>
<i>Time deposits</i>	<i>19,679,256</i>	<i>19,710,139</i>	<i>19,861,143</i>	<i>20,084,253</i>
Bills payable, rediscounts, and other liabilities for borrowed money.....	42,871	41,330	89,553	14,123
Mortgages or other liens on bank premises and other real estate.....	278	291	261	274
Acceptances executed by or for account of reporting banks and outstanding.....	125,465	127,337	97,866	83,860
Interest, discount, rent, and other income collected but not earned.....	99,644	108,995	111,109	116,661
Interest, taxes, and other expenses accrued and unpaid.....	207,388	216,222	238,366	225,396
Other liabilities.....	319,710	321,973	339,598	379,765
Total liabilities.....	79,795,344	82,464,164	78,987,666	79,271,547
CAPITAL ACCOUNTS				
Capital stock.....	1,804,803	1,828,759	1,905,026	1,907,958
Surplus.....	2,451,488	2,510,495	2,478,494	2,506,653
Undivided profits.....	971,091	1,009,365	1,068,755	1,084,283
Reserves and retirement account for preferred stock.....	318,386	322,269	325,119	329,009
Total capital accounts.....	5,545,768	5,670,888	5,777,394	5,827,903
Total liabilities and capital accounts.....	85,341,112	88,135,052	84,765,060	85,099,450

SUMMARY OF CHANGES IN NUMBER AND CAPITAL STOCK OF NATIONAL BANKS

The authorized capital stock of the 4,994 national banks in existence on June 30, 1949 (including 1 bank chartered during the year but not open for business as of that date), consisted of common stock aggregating \$1,885.6 million, an increase during the year of \$104.5 million; and preferred stock aggregating \$22.6 million, a decrease of \$1.5 million. The total net increase of capital was approximately \$103.0 million. During the year charters were issued to 25 national banks having an aggregate capital of over \$3.8 million. There was a net decrease of 12 in the number of national banks in the system by reason of voluntary liquidations and statutory consolidations.

More detailed information regarding the changes in the number and capital stock of national banks in the fiscal year 1949 is given in the following table.

Organizations, capital stock changes, and liquidations of national banks, fiscal year 1949

	Number of banks	Capital stock	
		Common	Preferred
Charters in force June 30, 1948, and authorized capital stock ¹	5, 006	\$1, 781, 086, 357	\$24, 109, 977
Increases:			
Charters issued.....	25	3, 825, 000	50, 000
Capital stock:			
108 cases by statutory sale.....		9, 438, 930	
145 cases by statutory stock dividend.....		96, 598, 555	
39 cases by stock dividend under articles of association.....		932, 150	
2 cases by conversion of preferred stock.....		92, 000	
6 cases by statutory consolidation.....		1, 660, 000	1, 500, 000
1 case by increase in par value of stock.....			588, 000
Total increases.....	25	112, 546, 635	2, 138, 000
Decreases:			
Voluntary liquidations.....	31	6, 830, 000	
Statutory consolidations.....	6		
Capital stock:			
88 cases by retirement ²			3, 381, 002
6 cases by statutory reduction.....		412, 500	
2 cases by statutory consolidation.....		775, 000	
1 case by decrease in par value of stock.....			300, 000
Total decreases.....	37	8, 017, 500	3, 681, 002
Net change.....	-12	+104, 529, 135	-1, 543, 002
Charters in force June 30, 1949, and authorized capital stock ¹	4, 994	1, 885, 615, 492	22, 566, 975

¹ These figures differ from those shown in the preceding table. June 30, 1948, figures include 2 banks that discontinued business but were not in formal liquidation on that date. June 30, 1949, figures include 1 bank, with common stock, that was chartered but not open for business on June 30, 1949.

² Includes preferred stock retired by a few banks on or before June 30, 1949, but not officially reported until after that date.

BUREAU OF CUSTOMS

The principal functions of the Bureau of Customs are to enter and clear vessels; supervise the discharge of cargo; ascertain the quantities of imported merchandise, appraise and classify such merchandise, and assess and collect the duties thereon; control the customs warehousing of imports; inspect international traffic by vessel, highway, railway, and air; review protests against the payment of duties; determine and certify for payment the amount of drawback due upon the exportation of articles produced from duty-paid or tax-paid imports; prevent smuggling, undervaluations, and frauds on the customs revenue; issue documents and signal letters to vessels and prepare publications and reports in connection therewith; apprehend violators of the customs and navigation laws; enforce the Antidumping Act; and perform certain duties under the Foreign Trade Zones Act.

REVENUE COLLECTIONS

The total revenue collected by Customs in the fiscal year 1949 was \$515,241,518 as compared with \$542,078,499 in 1948, a decrease of 5 percent. These totals include items collected for other governmental agencies such as internal revenue taxes for the Bureau of Internal

Revenue and head taxes for the Immigration Service. Actual collections from duties, fines, penalties, forfeitures, etc., amounted to only \$388,470,747, a decrease of 9 percent from the previous year's total of \$425,825,969. The bulk of customs collections consists of duties paid by importers at the time of the entry of merchandise or when withdrawn from warehouse for consumption. The types of collections during the last two years are shown in table 8.

The decline in collections in the fiscal year 1949 was due chiefly to the reductions in rates of duty provided by the General Agreement on Tariffs and Trade, most of which became effective on January 1, 1948. These lower rates affected collections for only the last half of the fiscal year 1948 but for the full fiscal year 1949. For the first 6 months of 1949, collections were almost at the level of those for the corresponding period of 1948; but for each of the last six months of 1949, collections were well below the level of those for corresponding months of 1948.

Although collections declined in 1949, the quantity of imported merchandise showed an increase of 5 percent over 1948. As an example, 12,430,000 gallons of distilled liquor were imported in 1948, and the duties collected amounted to \$24,673,000; in 1949 a larger volume, 13,522,000 gallons, was imported and the duties collected were only \$20,050,000.

The largest single source of customs revenue in recent years has been from importations of unmanufactured wool. In 1949 such importations totaled 311 million pounds as compared with 457 million pounds during 1948, with a corresponding reduction in revenue.

Imports of cane sugar, another important source of customs revenue, exceeded those of 1948 by a small margin, 7,573 million pounds being imported in 1949 as compared with 7,243 million pounds in 1948. The 1949 importations, however, included more than 900 million pounds brought in free from the Philippine Islands as compared with less than one fifth that amount in the previous year. The reduction in the volume of dutiable sugar together with the decrease of approximately one third in the rates of duty on sugar resulted in a yield in duties and taxes of only \$36,805,000 in 1949 as compared with \$47,-839,000 for the previous year.

The many changes in commodity classifications and the rates of duty resulting from the General Agreement on Tariffs and Trade, with subsequent changes as others of the signatory nations complied with the terms of the Agreement, have made it impossible to compute duty collections by tariff schedules and countries for all of the months since January 1, 1948. The tables usually appearing in this report covering duty collections by country have, therefore, again been omitted this year and the collections by tariff schedules show only the months for which computations have been completed. The latter data appear in table 88.

The largest amount of revenue continues to be collected at New York City where \$165 million, or 43 percent of the total collected in all districts, was turned over to the Treasury. This constitutes a decrease of almost 8 percent from the total collected at New York City during the previous year. Most of the districts along the Canadian border showed a substantial increase in customs collections, but outside of those districts only 7 customs districts collected more

in 1949 than in the previous year. At Boston, where approximately three fourths of the customs collections are the result of importations of unmanufactured wool, the 1949 total was only two thirds that of the previous year. At Philadelphia, also an important wool and sugar importing district, there was a decrease of more than 13 percent in collections. Customs collections by customs districts are shown in table 85.

The decrease in customs collections was accompanied by an increase in the value of dutiable imports from \$2,491 million in 1948 to \$2,847 million during 1949. This increase in value appears to be due to a somewhat greater volume of imported commodities rather than to an increase in unit costs. Normally 70 percent of customs revenue is derived from specific duties based on the quantity rather than on the value of the merchandise, and only 30 percent from goods dutiable at ad valorem or compound rates where an increased value might effect an increase in revenue. The reduction in rates of duty after January 1, 1948, was sufficient, therefore, to more than offset such increase in the volume of the goods dutiable at specific rates, while the increase in unit costs was insufficient to prevent a decline in revenue on such imports as carried an ad valorem rate of duty.

MOVEMENT OF PERSONS BY VESSELS, TRAINS, AIRPLANES, AND AUTOMOTIVE VEHICLES

Almost 84 million persons arrived at this country's seaports and crossed the land borders during the fiscal year 1949, an increase of almost 2 million over the previous year. A continued increase in foreign travel by aircraft prevailed in most of the customs districts, although more than half of the total arriving in this country arrived at the airports in Miami, Florida, and New York City. Tables 90 and 91 show the volume of traffic into the United States in 1948 and 1949.

ENTRIES OF MERCHANDISE

Commercial importations as represented by consumption entries, warehouse entries, and warehouse withdrawals showed a substantial increase over the previous fiscal year. The increased volume of tourist travel was reflected in an increase of 10 percent in the number of baggage entries filed. Mail importations, on the other hand, declined slightly. Informal entries declined substantially, presumably because of the increase in the exemption from duties allowed on merchandise purchased abroad by American residents under the act of May 19, 1948 (62 Stat. 242). Table 89 shows the number of each of the important types of entries for the fiscal years 1948 and 1949.

DRAWBACK TRANSACTIONS

Drawback, amounting to 99 percent of the customs duties paid at the time the goods were entered, is allowed on the export of merchandise manufactured from imported materials. The total drawback allowed in 1949 was \$9,378,768 as compared with \$10,430,065 in the previous year, a decrease of 10 percent. One unusual item during

1949 was the large amount of drawback allowed on imported materials used in the construction and equipment of vessels built for foreigners. This item was more than 43 times the drawback allowed for this purpose in 1948. The more important items used in manufacturing exported products during 1949 were wool, sugar, tobacco, aluminum, copper, and petroleum, on each of which a smaller amount of drawback was paid in 1949 than in the previous year. Tables 92 and 93 show the drawback transactions for 1948 and 1949.

PROTESTS AND APPEALS

The number of protests filed by importers against the rate and amount of duty assessed or other action by the collectors continued to increase in 1949. Appeals for reappraisal filed by importers who did not agree with the appraiser as to the value of merchandise were more than double the number of the previous year. Both increases were presumably due to the system of dual currency invoked in many countries with resulting confusion as to the true value of the merchandise for customs purposes. The following table shows the number of protests and appeals filed and acted upon in 1948 and 1949:

Protests and appeals	1948	1949	Percentage increase
Protests:			
Filed with collectors by importers.....	9,567	10,635	11.2
Allowed by collectors.....	422	579	37.2
Denied by collectors and forwarded to customs court.....	7,660	9,563	24.8
Appeals for reappraisal filed with collectors.....	5,156	11,114	115.6

APPRAISEMENT OF MERCHANDISE

The increase in the volume of imported merchandise in 1949 resulted in an increase of approximately 6 percent in the number of packages examined. The increase in paper work connected with appraisement was even greater. There were 1,105,646 invoices handled in 1949, an increase of 9 percent over the previous year and an increase of more than 25 percent over the pre-war year 1939.

At two ports, Chicago and Baltimore, the handling of foreign mail packages was transferred from the post office to the appraisers' stores and a similar move is under consideration at four of the Pacific coast ports.

CUSTOMS INFORMATION EXCHANGE

The Customs Information Exchange, located in New York, N. Y., is a central clearing house for information with respect to the classification and valuation of merchandise by Customs appraisers. The reports received and records maintained are designed to provide uniformity of decision among the various appraisers throughout the Customs Service. The work of the Customs Information Exchange was maintained at about the same level as in 1948, as shown in the following table:

Activity	1948	1949	Percentage increase, or decrease (—)
Appraisers' report of value or classification received.....	28,648	31,936	11.5
Differences in classification reported.....	2,569	2,819	9.7
Differences in value reported.....	4,118	3,805	-7.6
Requests for foreign investigations.....	629	628	-.2

LABORATORIES

The nine customs laboratories, maintained for the purpose of testing representative samples of imported merchandise to aid in determining the correct assessment of duties, tested 73,251 samples or practically the same number as in 1948. There was a sharp increase in the number of samples of ores and metals tested and a decrease in the number of samples of sugar and wool. Samples of ore, sugar, and wool constituted 60 percent of the total number analyzed.

During the year the chief chemist of the Boston laboratory developed a new sampling tool which is expected to provide considerable economies in labor, equipment, and other costs of sampling and testing wool, one of the largest revenue-producing imported commodities.

LAW ENFORCEMENT ACTIVITIES

The law enforcement activities of the Customs Service consist of the seizure of merchandise which has been fraudulently declared or illegally introduced into this country and of the investigation of violations discovered after the entry of merchandise. Fewer seizures were made in 1949 than in 1948; and while a smaller value of seizures was also reported, this resulted largely from the inclusion in the 1948 total of almost \$1,600,000 of seized lottery tickets which intrinsically had little or no commercial value. The number of automobiles and trucks seized was approximately the same as in 1948, while twice as many boats were seized as in the previous year. Seizures of ordinary merchandise, while much fewer in number, were approximately the same in value as in 1948. Seizures of narcotics were less numerous and yielded a smaller quantity of narcotic drugs than in the previous year. As compared with 4,639 ounces of raw opium seized in 1948, only 1,736 ounces were seized in 1949. This was largely of Turkish, Indian, and Iranian origin and was most frequently seized at Atlantic coast ports. The intensive opium poppy destruction campaign conducted by the Mexican Government resulted in a reduction in seizures of smoking opium along the Mexican border. Marihuana seizures, however, showed a sharp increase, over 2,350 pounds having been seized in 1949, most of it on the Mexican border, as compared with 1,650 pounds in 1948. Indications point to the abandonment of opium smuggling by smuggling rings operating on the Mexican border and to the diversion of their efforts to marihuana smuggling. The smuggling of distilled liquors also declined in 1949 and the value of such seizures was only one fifth that of the previous year.

Seizures for violations of customs laws are shown in tables 94 and 95.

INVESTIGATIVE AND PATROL ACTIVITIES

The investigative arm of the Customs Service, the Customs Agency Service, investigates all important criminal cases covering the violations of the customs laws and also conducts many other examinations where expert investigative ability is needed. A larger number of investigations were conducted in 1949 than during the previous year, and many important recoveries were effected as the result of the investigations. In one case undervaluation to the extent of approximately 25 percent on importations of Swiss watch movements caused the shipper or importer to incur penalties amounting to more than \$500 thousand. Three important cases of diamond smuggling, each involving female plane passengers carrying false bottomed baggage, resulted in the recovery of almost \$300 thousand worth of cut diamonds. Three tubes of toothpaste carried by another plane passenger led to the discovery of jewelry in the tubes. Difficulty with the gauge on one of its alcohol tanks led to the discovery on a trans-oceanic airplane of lottery tickets having a face value of \$3,250 thousand. One case which started as a routine narcotic smuggling investigation disclosed a plot to smuggle a large quantity of firearms and ammunition from this country to Mexico. In another case a customs officer in the San Diego district cooperated with the Navy Shore Patrol and other enforcement officers to arrest three armed gunmen guilty of kidnapping and highway robbery. These are a few of the many activities of the investigative service.

In the course of their regular duties customs personnel often discover violations of other than customs laws. During 1949, 25,314 seizures were made for other governmental agencies, 25,243 of which were for the Department of Agriculture. In addition, 45 persons were apprehended, of whom 22 were for the Immigration and Naturalization Service.

Table 96 summarizes the investigation activities during the last 2 years.

FOREIGN TRADE ZONES

Although the business of Foreign Trade Zone No. 1 in New York continued at a reasonably high level, a smaller tonnage passed through the zone than during the previous year. Operations at Foreign Trade Zone No. 2 in New Orleans continued at a substantial level. For the first full year of its operations Foreign Trade Zone No. 3, in San Francisco, which began its operations June 10, 1948, received almost 11,000 tons of goods valued at more than \$3,250 thousand despite the west coast waterfront strike which prevented water-borne arrivals during the fall of 1948. This zone handles a large variety of commodities and collected more than \$150 thousand in duties on goods brought from the zone for use in the United States. It is expected that foreign trade zones will be established at Los Angeles and Seattle during 1950.

LEGAL PROBLEMS AND PROCEEDINGS

No new problems of unusual interest were involved in the legal decisions which were considered by the Customs Service during 1949. The continued expansion of the work of the foreign trade zones led to

considerable investigation and advice in this field, especially in the consideration and recommendations regarding the applications for new zones on the west coast.

Considerable work was done in collaboration with the Interdepartmental Committee on Overtime Pay for the preparation of a uniform overtime pay bill covering the inspection activities of all governmental agencies.

The continued policy on the part of a number of foreign governments for the use of two or more currencies caused the issuance of many instructions for the conversion of currencies for which two or more rates of exchange were certified by the Federal Reserve Bank of New York.

SCIENTIFIC SAMPLE WEIGHING PROCEDURE

The Bureau of Customs during May extended its application of scientific control sampling to the weighing of bulk cargoes of raw sugar, South American wool, and manufacturers' cigarette tobacco. Scientific control weighing is designed to permit more effective use of customs manpower and to expedite unloading of cargoes with consequent savings of time and money for importers and vessel operators. During the war private industry used similar statistical techniques in the sampling of ammunition and other material.

The scientific control method of spot-weighing of cargoes is one of a number of projects in various stages of development in the Bureau which have as their objective greater economy and simplification in customs operations. Among these experiments are those pertaining to the extension of control weighing techniques to other commodities.

Heretofore, cargoes of the three above-mentioned commodities have been weighed 100 percent on carefully calibrated Government scales. Under the new system a predetermined number of sample lots from a cargo is so weighed and the range of variation from commercial weights determined. Then by formulas based on complex mathematical computations, customs inspectors can readily determine with extreme accuracy the total cargo weight on the basis of the relatively few samples weighed.

Test operations have shown that, in addition to freeing greatly needed manpower for other essential customs work, the new methods may speed up unloading of a vessel by as much as half a day, a very substantial saving in shipping costs.

Experts in the Bureau of Customs had the advice of the Division of Statistical Standards of the Bureau of the Budget in developing the new procedure.

MISCELLANEOUS

Changes in customs ports and stations.—Customs ports at Cheboygan, Mich., Arcibo and Arroyo, Puerto Rico, and customs stations at Halifax, Nova Scotia, Thousand Islands Bridge and Thousands Islands Park, N. Y., were abolished. A customs port of entry was established at Cordova, Alaska; and the customs station at Elkin, N. C., was converted to a port of entry.

Cost of administration.—During the fiscal year 1949 the Customs Service incurred expenses of \$34,989,685 for collecting the revenue

and for printing, excluding expenses of enforcing the renewed export control regulations. This was \$2,726,829 more than during the previous year. The increase in expenditures was due to the raise in pay authorized by the Eightieth Congress and to the automatic within-grade raises provided by the Meade-Ramspeck law. The expenses, moreover, do not include salaries paid to customs personnel for overtime and other services authorized by law for which reimbursement was made to the appropriation by parties interested. With the increased expenditures and the reduced collections the cost of collecting \$100 of revenue rose from \$5.95 in 1948 to \$6.79 in 1949. A summary of the collections and expenditures for 1949 will be found in table 86.

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing designs, engraves, and prints currency, bonds, certificates, stamps, and various other official documents and forms. During the year a change was made in the method of accounting, and revenue stamps and certain other items are now recorded on the basis of delivery size sheets instead of printing size sheets as heretofore. On the old basis of printing size sheets, actual deliveries of finished work during 1949 were approximately 5 percent in excess of the quantity delivered during 1948. On the new basis, deliveries of finished work aggregated 746,199,561 sheets.

A statement of deliveries of finished work in the fiscal years 1948 and 1949 follows. No adjustments have been made in the 1948 figures for the items on which the basis of recording differs from those for 1949.

Class	Sheets		Face value, 1949
	1948	1949	
Currency:			
United States notes.....	3,605,000	3,610,000	\$176,820,000
Silver certificates.....	97,895,000	102,390,000	1,696,380,000
Federal Reserve notes.....	22,919,000	34,220,000	4,653,120,000
Total.....	124,419,000	140,220,000	6,526,320,000
Bonds, notes, bills, certificates, and debentures:			
Bonds:			
Panama Canal.....	500	2,000	20,000,000
Postal savings.....	740	2,690	901,000
Treasury.....	1,003,964	217,150	7,845,051,500
United States savings.....	57,852,750	69,714,000	9,887,725,000
Depository.....	500	1,550	-----
Home Owners' Loan Corporation.....	535	-----	-----
Insular, Puerto Rican.....	50	250	250,000
Notes:			
Treasury.....	280,900	808,550	21,437,200,000
Special United States.....	315	-----	-----
Consolidated Federal home loan banks.....	36,950	32,800	725,000,000
Obsolete engraved stock delivered to Destruction Committee and destroyed:			
Commodity Credit Corporation.....	-----	132,620	-----
Federal National Mortgage Association.....	-----	60,090	-----
Reconstruction Finance Corporation.....	-----	100,696	-----
U. S. Housing Authority.....	-----	504	-----
Treasury bills.....	70,000	468,000	81,430,000,000
Certificates:			
Indebtedness.....	238,375	1,170,050	63,865,000,000
Cuban silver.....	333,333	885,300	41,290,800
Military.....	-----	473,192	103,897,600
Philippine Treasury.....	722,000	2,599,000	122,390,000
Interim transfer, postal savings bonds.....	1,000	1,000	-----

Class	Sheets		Face value, 1949
	1948	1949	
Bonds, notes, bills, certificates, and debentures—Con.			
Debentures:			
Consolidated collateral trust for the Federal inter-			
mediate credit banks	50,000	39,500	\$470,000,000
Federal ship mortgage insurance fund: Obsolete en-			
graved stock delivered to Destruction Committee		2,222	
and destroyed			
Specimens:			
Bonds	4		
Notes	10	8	
Certificates	3	13	
Debentures		60	
Proof sheets, military certificates		7	
Total	60,591,929	76,711,252	185,948,705,900
			Number of stamps, etc., 1949
Stamps:			
Customs	176,625	352,500	3,525,000
Internal revenue:			
To offices of issue	164,707,896	290,277,017	20,683,272,039
Specimens	97	584	1,064
Obsolete delivered to Commissioner of Internal			
Revenue for destruction	2,737,435	847,965	70,612,535
Puerto Rican revenue:			
To offices of issue	1,390,407	1,681,400	103,935,000
Obsolete delivered to Destruction Committee and			
destroyed		51,000	5,100,000
Virgin Islands revenue	100	300	30,000
United States war savings	354,333	455,488	46,818,050
Postage:			
United States	204,904,745	214,353,803	21,304,152,840
Specimens	66	214	11,359
Canal Zone	51,900	167,850	9,615,000
Philippine: Obsolete delivered to Destruction Com-			
mittee and destroyed		103,658	6,205,765
Adhesive postal note	599,666	735,928	73,592,800
District of Columbia beverage tax paid	197,925	1,041,200	52,060,000
Federal migratory-bird hunting	37,475	36,975	4,141,200
House trailer permit	376		
Total	375,159,046	510,105,882	42,363,072,652
Miscellaneous:			
Checks	8,253,443	9,528,936	47,654,055
Warrants	4,166		
Commissions	616,823	301,548	188,865
Certificates:			
Postal savings	3,004,000	3,302,700	16,513,500
Other	1,243,887	649,591	618,265
Drafts	26,975	625,325	1,101,675
Government requests for transportation	378,875	285,845	1,429,225
Other miscellaneous	806,852	4,467,271	9,176,654
Specimens	63	11	70
Blank paper	6	1,200	
Total	14,335,090	19,162,427	76,682,309
Grand total	574,505,065	746,199,561	

Orders were received and dies were engraved for new issues of postage stamps as follows:

Issue	Denomination (cents)
Joel Chandler Harris Commemorative, Series 1948.....	3
Will Rogers Commemorative, Series 1948.....	3
Oregon Territory Centennial Commemorative, Series 1948.....	3
Century of Friendship between the United States and Canada Commemorative, Series 1948.....	3
William Allen White Commemorative, Series 1948.....	3
Salute to Youth Commemorative, Series 1948.....	3
Indian Centennial Commemorative, Series 1948.....	3
Palomar Mountain Observatory Commemorative, Series 1948.....	3
Volunteer Firemen Commemorative, Series 1948.....	3
Harla Fiske Stone Commemorative, Series 1948.....	3
Clara Barton Commemorative, Series 1948.....	3
Poultry Industry Commemorative, Series 1948.....	3
Fort Kearney Commemorative, Series 1948.....	3
Rough Riders Commemorative, Series 1948.....	3
Fort Bliss Commemorative, Series 1948.....	3
Juliette Low Commemorative, Series 1948.....	3
Gettysburg Address Commemorative, Series 1948.....	3
Molina Michael Commemorative, Series 1948.....	3
American Turners Society Commemorative, Series 1948.....	3
Air Mail, Golden Anniversary of the City of New York Commemorative, Series 1948.....	5
Washington and Lee University Commemorative, Series 1949.....	3
Minnesota Territorial Commemorative, Series 1949.....	3
First Puerto Rico Gubernatorial Election Commemorative, Series 1949.....	3
Annapolis, Maryland, Tercentenary Commemorative, Series 1949.....	3
Air Mail, Alexandria, Virginia, Bicentennial, Commemorative, Series 1949.....	6
Air Mail, Series 1949.....	6
Canal Zone, Gold Rush Centennial 1849-1949, Series 1949.....	3, 6, 12, 18

New dies and plates were prepared for various kinds of certificates and commissions, and seals were engraved for several governmental agencies. The lay-outs for tobacco, cigarette, and other classes of internal revenue stamps were revised by reducing the margins on the sheets, thereby making it possible to print the same number of subjects on sheets of smaller size. This will result in a considerable saving in the quantity and cost of paper.

The printing of the new \$20 uniform currency back showing the revised vignette of the White House was begun in the early part of July and the first delivery of finished notes carrying the new backs was made on July 27, 1948.

Under arrangements made through the Department of State during the previous fiscal year an order for 14,600,000 Cuban silver certificates was completed in August 1948. An additional quantity of 7,000,000 certificates was requested on April 1949, and the currency was being processed at the close of the year. Two orders for the Philippine Treasury totaling 4,920,000 certificates were produced for the Philippine Government. These currencies were printed from plates which had been engraved by the Bureau and used for previous orders.

Twenty flatbed intaglio printing presses, equipped with double wipers which eliminate the hand polishing of the plates, were purchased and installed. Contracts were awarded for the manufacture of 150 auxiliary polishing wipers and 176 feed boards for the purpose of modernizing single-wiper presses now in use. Orders also were placed for 5 offset printing presses and 4 typographic presses.

The total personnel at the beginning of the fiscal year comprised 5,851 employees. There were 856 appointments and 637 employees were separated from the service, leaving a total of 6,070 employees on the rolls at the end of the year.

Expenditures amounted to \$26,848,412.23, an increase of \$2,759,250.99, or 11.5 percent, above the total expended during the previous year. The following tabulation shows the appropriations, reimbursements, and expenditures for the fiscal years 1948 and 1949.

Class	1948	1949	Increase, or decrease (—)
Appropriations:			
Salaries and expenses.....	\$13,250,000.00	\$15,660,000.00	\$2,410,000.00
Printing and binding.....	5,000.00	—	—5,000.00
Reimbursements to appropriations from other bureaus for work completed: ¹			
Salaries and expenses.....	10,929,197.68	11,223,848.44	294,650.76
Printing and binding.....	6,000.00	—	—6,000.00
Total.....	24,190,197.68	26,883,848.44	2,693,650.76
Expenditures:			
Salaries and expenses.....	24,078,602.12	26,848,412.23	2,769,810.11
Printing and binding.....	10,559.12	—	—10,559.12
Total.....	24,089,161.24	26,848,412.23	2,759,250.99
Unexpended balance.....	101,036.44	35,436.21	—65,600.23

¹ Additional amounts totaling \$23,287.69 for 1948 and \$1,555.65 for 1949 were received for Government property lost or damaged, refunds of terminal leave compensation, refunds affecting expired appropriations, reimbursements for jury service, collections to correct discrepancies in the paper accounts, empty drums returned by Bureau, and reimbursement on account of default in contract.

BUREAU OF FEDERAL SUPPLY

On July 1, 1949, the Bureau of Federal Supply was abolished by the Federal Property and Administrative Services Act of 1949, and its duties, functions, and personnel were transferred to the General Services Administration.

During the fiscal year 1949 the Bureau of Federal Supply procured and distributed supplies, materials, equipment, and services for Federal establishments; stored and inspected the items procured; and determined the policies, methods, and purchasing standards required for these procedures.¹ The Bureau maintained facilities for technical operations allied to supply, such as traffic management and public utilities. At the direction of the Munitions Board, the Bureau purchased and inspected strategic and critical materials for inclusion in the national stock pile. The Bureau also conducted other special purchasing programs as directed by Congress.

PROCUREMENT

Specialists in procurement and marketing of the Bureau of Federal Supply entered into contracts for the purchase of supplies, materials, and equipment for Federal agencies' departmental and field services and also performed the same services for special programs. Liaison was maintained with other Government agencies and, in the case of

¹ The Bureau's basic authorities derive from Executive Order 6166 and Reorganization Act of 1933 (47 Stat. 1517).

special programs, through the State Department with officials of foreign nations.

Contracting and purchasing by the Bureau for regular governmental requirements were generally effected in accordance with section 3709 of the Revised Statutes, as amended, requiring advertising for bids, public bid openings, and award of contract to lowest responsible bidders.

Two types of contracts were used: Indefinite quantity (sometimes called open-end or term), which were made for approximately 40,000 items listed in the Federal Supply Schedule; and definite quantity contracts, which were made for items not covered by the schedule.

The following table shows by program the net dollar volume of commodity purchases made by the Bureau of Federal Supply during the fiscal years 1948 and 1949.

Purpose	1948	1949
Regular activities.....	\$56, 778, 062	\$90, 207, 489
Strategic and critical materials (Public Law 520, July 23, 1946).....	¹ 252, 901, 412	420, 598, 765
Special programs.....	21, 490, 959	7, 125, 805
Total.....	331, 170, 433	517, 932, 059
Purchases by other agencies from Federal Supply Schedule.....	88, 926, 428	² 90, 000, 000

¹ Total obligations including commodities purchased and all other costs.

² Estimated.

GOVERNMENT REQUIREMENTS

The Government Requirements Division coordinated the various functions of the Bureau of Federal Supply with similar functions in other Federal agencies. Surveys and studies made by this Division form the bases upon which procurement policies and methods are established.

During the fiscal year 1949 the Government Requirements Division continued participation in a Joint Property Accountability Survey Project (with the Bureau of the Budget and the General Accounting Office), for simplifying and installing more uniformly effective inventory control and property accountability systems in Federal agencies. This project, begun during the previous fiscal year, was promulgated during the fiscal year 1949. The Division also conducted surveys and supply management studies in field and departmental offices of various agencies of the Executive branch, which resulted in a wider use of the Federal Supply system.

STORES OPERATIONS

The stores operations were conducted on a self-supporting reimbursable basis. The principles of operation are substantially like those of a private enterprise, except that the objective is to recover costs as distinguished from the profit motive of commercial concerns.

During the year the Bureau of Federal Supply operated supply centers in Washington, D. C. (Central Warehouse), Boston (Branch Center), New York, Cleveland, Chicago, Atlanta, Fort Worth, Kansas City, Denver, San Francisco, Seattle, and Los Angeles (Branch Center). These supply centers constituted the Bureau's national

system for the procurement, storage, and issue of supplies in common use by the Federal and District of Columbia Governments.

The stores operations are financed by the general supply fund, which is a revolving fund established pursuant to the act of February 27, 1929 (45 Stat. 1341), as amended, and is available to finance purchases by the Bureau of Federal Supply of stock, consolidated supplies, and services. All expenditures are made from the fund and all collections are credited to it. Expenses are recovered by service charges representing estimated handling costs. When expenses for handling are less than estimated, surpluses go into the general supply fund, and after the yearly audit by the General Accounting Office are credited to miscellaneous receipts of the Treasury.

During the year the total value of warehouse stock issues exclusive of typewriters was \$30,878,743, an increase of \$8,524,818 over 1948.

The total sales in all activities of the general supply fund during the year amounted to \$96,041,440, as compared with \$63,566,772 for 1948. Percentage-wise, this increase was about the same as the 1948 sales were above those of 1947. For the fiscal year 1949, the increase in sales in the Direct Delivery class, in which deliveries are made directly to agencies rather than to Bureau supply centers, was due primarily to the automotive equipment purchase program.

Operating income exceeded operating costs by \$68,649.14. This amounts to only 0.07 percent of sales, and indicates the accuracy of the plan to recover costs but not to make profits. The excess for 1948 was \$186,237, or 0.29 percent of sales. During 1949 the capital of the general supply fund was \$9,520,196.

A statement of the assets and liabilities of the general supply fund as of June 30, 1949, follows:

Assets	Amount	Liabilities and capital	Amount
Current assets:		Current liabilities:	
Cash.....	\$10,641,482.09	Accounts payable.....	\$12,968,545.11
Accounts receivable.....	8,320,800.87	Unearned income.....	2,116,177.71
Postage.....	9,920.51	Total.....	15,084,722.82
Inventories (at cost).....	6,665,802.69		
Total.....	25,638,006.16	Capital and surplus:	
Fixed assets: Equipment.....	418,844.26	Capital.....	9,520,196.07
		Donated capital.....	6,629.00
		Donated surplus.....	715,016.40
		Total.....	10,241,841.47
		Reserve for contingencies.....	730,286.13
Total assets.....	26,056,850.42	Total liabilities and capital.....	26,056,850.42

UTILITY SERVICES

The Public Utilities Division of the Bureau of Federal Supply performed the technical work required for efficient procurement of utility service for Federal agencies in Washington and in the field. These utilities include electric, gas, steam, telephone, teletypewriter, telegraph, and cable services. During the fiscal year this Division intervened in five utilities rate cases on behalf of the Government as a

consumer. Through the efforts of this Division an annual increase of approximately \$530,000 in the Government utilities bills was prevented.

TRAFFIC MANAGEMENT

Liaison was maintained with all agencies, including the National Military Establishment, through the Interdepartmental Traffic Committee, which was created by the Bureau of Federal Supply for the purpose of conducting continuing studies of transportation rates and services as they affect the shipment of property on which charges are paid and borne by the Government. During 1949 the Bureau's Central Traffic Services Division was instrumental in effecting a saving in excess of \$5,000,000 through reduced rates negotiated by the Division. The Division furnished Government agencies with rates and related information requiring nearly 50,000 computations.

STANDARDIZATION

The Bureau of Federal Supply, which is responsible for the standardization of materials, equipment, and supplies used by the Federal establishments, maintained a Standards Branch, charged specifically with the identification, classification, and cataloging of items of supply; with the development of Federal and Bureau of Federal Supply specifications; and with the inspection and testing of supplies purchased by the Bureau or by other agencies under the Federal Supply Schedule term contracts.

During the year, the Bureau continued to discharge its basic responsibilities for maintenance of the Federal Standard Stock Catalog and for the development of the Federal Catalog System. Approximately 40,500 item identifications were prepared; and 102 new Federal Specifications were published, 66 were revised, and 77 amended. About 1,132,000 copies of Federal Specifications were furnished Government and industry; and, in addition, the Government Printing Office supplied over 1,350,000 copies to the National Military Establishment.

The Bureau of Federal Supply maintained in the District of Columbia a service for inspecting and testing incoming warehouse stock, investigating complaints of receipt of apparently inferior materials delivered on Bureau contracts, coordinating routine inspection and testing services in the Federal Government, and inspecting strategic and critical materials and materials for relief and assistance to foreign countries. As an additional service, a display was maintained where standard samples of articles on purchase under Federal Supply contracts were available for examination by representatives of Government agencies. During the year samples on display averaged 33,000.

BLIND-MADE PRODUCTS

Under the act of June 25, 1938 (41 U. S. C. 46-48), known as the Wagner-O'Day Act, nonprofit agencies for the blind sold to the Government during the year \$4,290,212 of products made by the blind. The products sold came from 47 workshops for the blind, which gave employment to 2,621 blind persons.

FORFEITED, SEIZED, AND ABANDONED PROPERTY

Forfeited, seized, and abandoned property totaling \$1,468,676 in appraised valuation was reported during the year to the Bureau of Federal Supply, for transfer to other Government agencies or eleemosynary institutions.

STRATEGIC AND CRITICAL MATERIALS

In accordance with the provisions of the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (Public Law 520, 79th Congress), the Bureau of Federal Supply, operating under directives of the Munitions Board, purchases strategic and critical materials essential in time of national emergency to industrial and military needs.

Funds in the amount of \$477,069,085 were obligated for the acquisition and care of strategic and critical materials during the fiscal year 1949 including accessorial and administrative costs. In addition to the purchases from appropriations, the stock pile was augmented by \$474,000,000 of strategic and critical materials declared surplus by the Reconstruction Finance Corporation and other Government agencies, and by materials acquired through pertinent provisions of the Economic Cooperation Act. These materials were being moved into permanent stock pile locations as rapidly as transportation and storage facilities permitted.

SURPLUS PROPERTY

In accordance with the provisions of the act of June 30, 1948 (Public Law 862, 80th Congress), 17,921 declarations, containing 135,457 line items with an acquisition cost of \$95,612,007, were reported by Federal agencies to the Bureau of Federal Supply during 1949. The acquisition value of surplus property transferred to other Federal agencies amounted to \$10,405,851, and sales to the public were \$639,408. The balance reverted to declaring agencies for disposal after no interest had been indicated by Government agencies during the 40-day period in which declarations were made available to other Federal agencies.

Under the program for distributing surplus typewriters, as of June 30, 1949, a total of 50,926 typewriters had been declared surplus by the departments and agencies. Of this total the Bureau reissued approximately 15,000 to Federal agencies, sold commercially 12,000, and cleared back 3,000 to the owning agencies for disposal. Approximately 21,000 were on hand and in process of inventorying and classification on June 30, 1949.

FISCAL OPERATIONS

During the year the Fiscal Branch maintained the accounts, audited the vouchers for contract payments, and prepared appropriate financial and statistical reports in the several programs being conducted by the Bureau of Federal Supply.

Special programs.—As a service agency, the Bureau continued to procure a limited portion of the supplies required for several of the Government's programs to give relief and aid to foreign countries.

Purchases in the fiscal year 1949 totaled \$7,125,805. The purchases consisted of Greek-Turkish assistance (Public Law 75, 80th Congress, May 22, 1947) amounting to \$2,175,469; and purchases by the Economic Cooperation Administration, including purchases for Korea (Public Law 472, 80th Congress, April 3, 1948), of \$4,950,336.

FISCAL SERVICE]

OFFICE OF THE FISCAL ASSISTANT SECRETARY

The Fiscal Assistant Secretary, under the direction of the Secretary, supervises the administration of Treasury financing operations and directs the operations of the three bureaus composing the Fiscal Service, namely, Bureau of Accounts, Bureau of the Public Debt, and Office of the Treasurer of the United States. He acts in a liaison capacity with other agencies of the Government with respect to their financial operations; directs the performance of fiscal agency functions of the Federal Reserve Banks; supervises the daily cash position of the Treasury, and estimates cash receipts and expenditures for the Secretary's use in financing operations; prepares calls for the withdrawal of funds from special depositories to meet Government expenditures; directs the transfer of Government funds between the Federal Reserve Banks; and maintains a continuous study of the operations and methods in the various units of the Fiscal Service.

A detailed description of the functions of the Fiscal Service appears on pages 84 to 86 of the annual report for the fiscal year ended June 30, 1948. See also exhibit 28 in this report.

Cash position.—The working cash of the Treasury is held in the form of (1) balances in the accounts which the Treasurer maintains at each of the Federal Reserve Banks, (2) balances in the accounts maintained with commercial banks designated as special depositories, and (3) the gold balance remaining after deducting gold certificates and other liabilities from the total gold assets held by the Treasurer, referred to as the "free gold" available for use of the Treasury in meeting Government obligations.

Treasury accounts with the special depository banks, because of their origin during World War I, have been commonly known as war loan accounts. To indicate their continuing and expanded role since 1945, a new term, Treasury tax and loan accounts, effective January 1, 1950, will be substituted to designate these deposits. The deposits consist of proceeds from certain sales of Government securities and withheld income taxes received by the banks. Beginning early in 1950, qualified banks may also credit social security receipts to the Treasury tax and loan accounts. Specified collateral is required to secure the deposits placed in these accounts.

The management of the cash position of the Treasury involves the maintenance of adequate daily balances in the Treasurer's account with each Federal Reserve Bank, after taking into consideration the flow of receipts and expenditures through such accounts.

The financial operations of the Treasury are conducted largely through the twelve Federal Reserve Banks and twenty-four branches. In order to maintain working balances with the various Reserve Banks to meet the Government's current obligations, funds are transferred

between the Banks through the facilities of the gold certificate fund of the Federal Reserve System. When the Treasury balances with the Federal Reserve Banks need replenishment, funds are withdrawn from the Treasury accounts with special depositaries and deposited in the Treasurer's account with the Federal Reserve Banks.

By proper timing of transfers of funds from the special depositaries to the Treasurer's account with the Federal Reserve Banks, this method of maintaining the Treasury's cash position with the Federal Reserve Banks makes it possible to handle Treasury transactions with a minimum of disturbance to the money market and to the deposits and reserves of commercial banks.

The following tables show the changes in the Treasurer's account with the Federal Reserve Banks monthly during the fiscal year 1949 and the month-end balances for the principal items making up the general fund:

Treasurer's account with Federal Reserve Banks

[In millions of dollars]

Month	Balance beginning of month	Funds transferred from depositaries ¹	Treasury operations (net)	Net increase, or decrease (-), during month	Balance end of month
1948—July.....	1,928	1,556	-1,729	-173	1,755
August.....	1,755	1,281	-1,117	164	1,919
September.....	1,919	583	-838	-255	1,664
October.....	1,664	1,775	-1,831	-56	1,608
November.....	1,608	1,571	-1,578	-7	1,601
December.....	1,601	1,188	-1,666	-478	1,123
1949—January.....	1,123	1,369	-978	391	1,514
February.....	1,514	184	-275	-91	1,423
March.....	1,423	926	-867	59	1,482
April.....	1,482	2,290	-2,546	-256	1,226
May.....	1,226	1,459	-2,057	-598	628
June.....	628	1,051	-1,241	-190	438

¹ Represents proceeds from sales of public debt securities and deposits on account of withheld taxes.

General fund

[In millions of dollars]

End of month	Assets					Total liabilities	General fund balance
	Deposits		Gold	Other assets	Total assets		
	Federal Reserve Banks (available funds)	Special depositaries					
1948—July.....	1,755	2,081	1,070	600	5,506	433	5,074
August.....	1,919	1,741	1,060	509	5,229	397	4,832
September.....	1,664	2,703	1,068	585	6,020	437	5,583
October.....	1,608	1,976	1,078	543	5,205	403	4,802
November.....	1,601	1,621	1,076	514	4,813	428	4,385
December.....	1,123	1,909	1,077	521	4,630	422	4,208
1949—January.....	1,514	1,735	1,046	747	5,042	383	4,659
February.....	1,423	2,688	1,045	563	5,719	428	5,291
March.....	1,482	2,924	1,038	679	6,123	357	5,767
April.....	1,226	1,563	1,033	606	4,428	433	3,995
May.....	628	1,313	1,027	559	3,526	363	3,163
June.....	438	1,771	1,022	631	3,862	392	3,470
Monthly average.....	1,365	2,002	1,053	588	5,008	406	4,602

On June 15, 1949, the Treasury used its entire balance with the Federal Reserve Banks and, in addition, borrowed \$220 million from the Federal Reserve Banks to cover expenditures made on that date. This action was taken in anticipation of the heavy quarterly tax collections received during the week succeeding June 15. This special borrowing, which took the form of the sale of special short-term certificates of indebtedness to the Federal Reserve Banks with interest at the rate of $\frac{1}{4}$ of 1 percent per annum, was completely repaid by June 17.

Federal intermediate credit banks.—The Government Corporation Control Act, approved December 6, 1945, provides that the Federal intermediate credit banks shall consult with the Secretary of the Treasury with respect to the terms and conditions, etc., of any bonds, notes, debentures, or other obligations issued to the public, prior to the issuance of those obligations.

The following consolidated collateral trust debentures were issued during the year:

Date	New issue			Maturing security	
	Time to maturity	Interest rate (percent)	Amount (in millions)	Interest rate (percent)	Amount (in millions)
1948—July 1.....	9 months.....	1.55	\$55	1.15	\$34
August 2.....	9 months.....	1.55	20	1.20	20
September 1.....	9 months.....	1.65	38	1.25	38
October 1.....	9 months.....	1.65	62	1.35	45
Do.....	-----	-----	-----	1.45	25
November 1.....	9 months.....	1.65	56	1.55	58
Do.....	-----	-----	-----	1.45	31
December 1.....	9 months.....	1.60	32	1.55	77
Do.....	5 months.....	1.50	24	-----	-----
1949—January 3.....	9 months.....	1.60	72	1.55	85
February 1.....	9 months.....	1.55	62	1.55	55
March 1.....	9 months.....	1.55	67	1.45	53
April 1.....	9 months.....	1.55	58	1.55	55
Do.....	7 months.....	1.50	23	-----	-----
May 2.....	9 months.....	1.55	52	1.55	20
Do.....	7 months.....	1.50	25	1.50	24
June 1.....	9 months.....	1.55	60	1.65	38
Do.....	7 months.....	1.45	30	-----	-----

Federal home loan banks.—Under the provisions of the Government Corporation Control Act all obligations issued to the public by the Federal home loan banks must be approved as to terms and conditions, etc., by the Secretary of the Treasury. The following issues of consolidated Federal home loan bank notes were made during the year:

Date	New issue			Maturing security	
	Time to maturity	Interest rate (percent)	Amount (in millions)	Interest rate (percent)	Amount (in millions)
1948—July 22.....	1 year.....	1.65	\$115	1.45	\$50
September 15.....	1 year.....	1.75	120	1.25	85
1949—January 20.....	1 year.....	1.625	43	1.75	97

Foreign currencies.—The Treasury provides central facilities for the custody and disposition of excess foreign currencies that have been acquired by the United States in connection with sales of surplus

property, lend-lease repayments, and other operations in foreign countries. These currencies are made available to the various Government agencies as required. The total amount held increased (in dollar value) from \$25,024,118 on June 30, 1948, to \$46,785,706 on June 30, 1949. (See table 110.)

During the fiscal year 1949 the Treasury delivered to the Department of State the currencies of the countries listed below, without receipt of the equivalent United States dollar value, for purposes authorized under the provisions of section 32 (b) (2) of the Surplus Property Act of 1944, as amended, in connection with educational exchange programs conducted between the United States and the respective countries:

Country	Foreign currency	Equivalent value ¹
Belgium.....	1,643,531.25 francs.....	\$37,500.00
Burma.....	663,500 rupees.....	200,000.00
China.....	153,881,286,046.65 yuan.....	364,150.00
France.....	6,530,040 francs.....	19,800.00
Great Britain.....	61,996 pounds.....	250,000.00
Greece.....	500,250,000 drachmas.....	50,000.00
Italy.....	28,750,000 lire.....	50,000.00
New Zealand.....	38,530 pounds.....	125,000.00
Total.....	.....	1,096,450.00

¹ On basis of current exchange rate at date of transfer.

Fiscal Service Improvement Committee.—A Fiscal Service Improvement Committee was established to act in an over-all advisory capacity and appraise the results of and make recommendations on various procedural changes under consideration or contemplated in the Fiscal Service. The Committee is composed of the Assistant to the Fiscal Assistant Secretary (Chairman), the Administrative Assistant to the Secretary, the Treasury Budget Officer, the Treasurer of the United States, the Commissioner of the Public Debt, and the Commissioner of Accounts. Each member is authorized to designate an alternate.

FISCAL SERVICE—BUREAU OF ACCOUNTS

Receipts and expenditures.—The central accounts of the Government relating to the revenues, appropriations, and expenditures of departments and establishments are maintained, by law, in the Bureau of Accounts. This Bureau prepares annually for the Secretary the report to the Congress under the act of July 31, 1894, classifying the receipts wherever practicable by districts, States, and ports of collection, and the expenditures under each separate head of appropriation. Receipts and expenditures of the Government during the fiscal year 1949 are shown in the summary of Federal fiscal operations appearing on page 61 of this report, and a more detailed statement is included as table 1.

Improvement of accounting procedures.—The Bureau of Accounts, under Reorganization Plan III (Reorganization Act of 1939), renders technical advice and assistance to other bureaus and offices of the Treasury Department in the accounting field. The most important service rendered during the year was in connection with the problems

arising in the revision of the accounting systems of the Bureau of Customs and the United States Coast Guard.

The accounting staff of the Bureau of Accounts also is cooperating with the staffs of the General Accounting Office and the Bureau of the Budget in the development of principles, standards, and basic requirements that will have application to accounting in the Government generally and in the rendering of technical assistance to departments and agencies in the improvement of their accounting systems. In this connection, the Secretary of the Treasury, the Comptroller General of the United States, and the Director of the Bureau of the Budget have established a joint working relationship for the purpose of revising the accounting and auditing procedures of the Government in keeping with the needs and interests of all concerned, including the Congress of the United States, the President, and the heads of the several departments and agencies. The program has been under way for sometime and undoubtedly will bring about much better accounting in the Government. Under this joint undertaking, the following have been adopted as basic principles:

- (1) The maintenance of accounting systems and the producing of financial reports are and must continue to be functions of the executive branch.
- (2) There must be an audit independent of the executive branch which will give appropriate recognition to necessary features of internal audit and control. Properly designed accounting systems are a vital factor to the effectiveness of such independent audit.
- (3) Full opportunity is to be afforded to the executive branch for participation in the development of accounting systems as an essential to meeting the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting requirements.

Due consideration is being given, under the program, to the development of a system of central accounts in the Treasury Department, on the basis of sound principles and standards, and to the establishment of a system of comprehensive financial reports covering the operations of all departments and agencies of the Government. For a more detailed statement of policies and objectives, see exhibit 29.

Daily Statement of the United States Treasury.—Throughout the year the practice was followed of excluding from both budget receipts and expenditures certain payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and for disposition of earnings. This practice has no effect on the budget surplus or deficit as the exclusions on each side of the budget are always equal.

Effective January 3, 1949, refunds of taxes and duties were reported as deductions from receipts rather than as expenditures. This change also did not affect the size of the budget surplus or deficit since receipts and expenditures are reduced by equal amounts. Interest paid on certain taxes and refunds continues to be shown as a budget expenditure.

Prior figures, beginning with 1931, were adjusted to conform with the above-mentioned changes, so as to provide for comparability.

Commencing with July 1, 1948, through the use of teletype facilities,

expenditures of the departments and establishments of the Government serviced by the Division of Disbursement have been reported in the daily Treasury statement as of the day on which checks are issued in payment of Government obligations; prior thereto, such expenditures were reflected in daily Treasury statements as of the dates reports of checks paid were received in Washington, D. C., by mail. During the latter part of the fiscal year 1949, procedures were established whereby expenditures of the Department of the Army would also be reported through the use of teletype facilities. However, the expenditures of the Department of the Army will not be included in the daily Treasury statement on the basis of teletype reports until sometime during the early part of the fiscal year 1950.

Surplus fund and certified claims.—The act of July 6, 1949 (Public Law 159, 81st Congress), amended the provisions of law relating to the surplus fund and certified claims. Under the amendment, the unexpended balances of lapsed annual appropriations, that is, those which have remained on the books for two fiscal years following the fiscal year for which appropriated, shall be transferred on July 1 of each year to a consolidated appropriation account. This consolidated account will be available without limitation as to time for payment of claims certified by the Comptroller General of the United States and chargeable to the balance of the respective appropriations so transferred. Amounts in the consolidated account not required for payment of certified claims will be carried annually to the surplus fund.

In accordance with the provisions of this act, unexpended balances of annual appropriations which lapsed on June 30, 1949, were transferred to a consolidated appropriation account as of that date.

Disbursement activities.—The Division of Disbursement maintains regional disbursing offices in the continental United States, and other facilities in Territories and foreign countries, servicing all executive departments and agencies except the Post Office Department, United States marshals, the Panama Canal, the National Military Establishment, and certain Government corporations. The number of payments, collections, and savings bonds issued by the Division of Disbursement during the fiscal years 1948 and 1949 are as follows:

Classification	Number	
	Fiscal year 1948	Fiscal year 1949
Payments (checks and cash):		
Social security.....	24, 610, 741	28, 822, 250
Veterans' benefits.....	79, 169, 989	80, 137, 417
Tax refunds.....	31, 589, 622	38, 407, 651
Other.....	27, 114, 921	28, 368, 258
Collection items.....	6, 813, 240	5, 787, 078
Savings bonds issued to Federal employees in payroll savings plan.....	2, 257, 138	2, 402, 927
Total.....	171, 555, 651	183, 925, 581

A number of improvements in disbursing practices and procedures were made during the year. The microfilming of checks for record purposes obviates the need for carbon copies of checks, and will result ultimately in saving 60,000 square feet of storage space.

The preparation of tax refund checks by what is known as the "transfer posting" method proved satisfactory in the experiment in 1948 and was adopted generally in 1949. The name and address of the payee are mechanically transferred to the face of the check from the refund voucher prepared by the collector of internal revenue. This method not only facilitates the preparation of the check, but also reduces the cost of typing and the possibility of errors in transcription.

Effective January 1, 1949, the making of check payments in the name of the Chief Disbursing Officer was discontinued in all regional offices except Washington, D. C. As of that date, assistant disbursing officers in the several regions commenced making disbursements and rendering accounts in their own names, as regional disbursing officers. The change was made in order to facilitate the audit and settlement of disbursing officers' accounts.

Under authority of the Economic Cooperation Act, and at the request of the Economic Cooperation Administration, a special procedure involving the use of drafts was inaugurated for making disbursements for the Economic Cooperation Administration. These drafts are drawn on the Administrator for Economic Cooperation by the participating country concerned, and paid through the Federal Reserve Bank of New York as fiscal agent of the United States.

Withheld foreign checks.—Regulations of the Treasury Department relating to delivery of Government checks to payees residing in foreign countries were amended to add Albania to the countries to which such checks may not be sent. A copy of the amendment appears as exhibit 30.

Government losses in shipment.—The reported value of shipments made by Government departments and agencies during the year under coverage of the Government Losses in Shipment Act, as amended, amounted to \$405,111,163.200 as compared with \$403,652,458.719 for the fiscal year 1948. During the year claims totaling \$244,688.71, which includes \$238,573.42 on account of United States savings bonds and armed forces leave bonds redemption cases, were paid out of the revolving fund established pursuant to such act, and recoveries amounting to \$135,983.96 were effected during the year and were deposited to the credit of the fund, leaving a net expenditure of \$108,704.75 for losses. The cumulative amount of estimated insurance premium savings to the Government from the date of the inception of the act, based on rates in effect at that time, totaled \$27,916,000 through June 30, 1949. Information concerning the operation of this self-insurance plan by the Government will be found in tables 99 to 103.

Bonding of Government employees.—A number of bills have been introduced in the Congress regarding the bonding of Government employees. In line with the practice followed in private business, the Treasury has recommended relieving Government employees of the personal expense of providing surety bonds, and has suggested the creation of a self-insurance fund similar to the fund authorized by the Congress in connection with the shipment of valuables under the Government Losses in Shipment Act.

As of June 30, 1949, over 554,000 employees of the Government

were bonded at an expense to them for annual premiums amounting to approximately \$1,500,000.

Authorized surety companies.—A list of the surety companies authorized to write bonds in favor of the United States is published by the Treasury semiannually. The form of this list was revised to facilitate its preparation and use.

Certificates of authority were issued to two additional companies qualifying them as sole sureties on bonds in favor of the United States. A total of 49,344 bonds and consent agreements were approved as to corporate surety.

Depositories of public moneys.—The administrative work relating to the designation of depositories of public moneys is handled by the Division of Deposits. Cash balances held by the various classes of depositories are shown in table 42.

Arrangements have been made with approximately 1,000 commercial banks to furnish drafts to officers of the Farmers' Home Administration, the Public Housing Administration, and other agencies for transmitting their collections of Government funds to Federal Reserve Banks for account of the Treasury. These arrangements facilitate the transmittal and deposit of Government funds at certain points where volume is small.

During the year, the Bureau of Internal Revenue, in cooperation with the Fiscal Service, formulated plans under which, effective January 1, 1950, tax returns covering withheld taxes and social security taxes will be combined, and employers will deposit withheld taxes directly with Federal Reserve Banks instead of with commercial banks. Employers may make arrangements with commercial banks, however, to receive such collections, as a service to their customers, for transmission to the Federal Reserve Banks, without cost to the Government. This change in procedure will result in a substantial saving to the Government.

Investments of trust funds.—Under various provisions of law, the Secretary of the Treasury is responsible for investing certain trust funds. A summary of the various investment accounts for which he is responsible is shown as table 43.

Assets of the retirement system of the Comptroller of the Currency.—The act of June 30, 1948 (Public Law 849, 81st Congress), abolished the separate retirement system for employees of the Bureau of the Comptroller of the Currency and directed the transfer of its assets to the civil service retirement and disability fund. Assets transferred consisted of the following:

	<i>Amount</i>
Cash.....	\$453, 996. 45
Securities (at cost):	
United States savings bonds, Series D.....	15, 000. 00
United States savings bonds, Series G.....	700, 000. 00
2½% Treasury bonds of 1962-67.....	300, 000. 00
2½% Treasury bonds of 1964-69 (dated Apr. 15, 1943).....	100, 000. 00
2½% Treasury bonds of 1964-69 (dated Sept. 15, 1943).....	2, 500, 000. 00
2½% Treasury bonds of 1966-71.....	825, 000. 00
2½% Treasury bonds of 1967-72 (dated June 1, 1945).....	610, 000. 00
Total securities.....	5, 050, 000. 00
Grand total.....	5, 503, 996. 45

Interest charged on Federal Reserve notes.—During the year there was deposited in miscellaneous receipts in the Treasury \$187,020,-081.11, representing the proceeds from the interest charge levied in 1947 by the Board of Governors of the Federal Reserve System on Federal Reserve notes in circulation. This compares with deposits of \$99,781,558.87 in 1948. Deposits in 1947 amounted to \$15,268,-883.47 and consisted of those for the quarter ended March 31, 1947. The amounts deposited in the Treasury by each Federal Reserve Bank for the fiscal years 1947 through 1949 appear in table 10.

Loans and capital subscriptions.—In continuing the policy of supplying funds required by Government corporations and agencies which are authorized to borrow money for operations, the Treasury made cash advances to Government corporations and agencies aggregating \$7,418,509,378.24. The Treasury received repayments of \$3,286,282,219.11, resulting in net advances of \$4,132,227,159.13. A statement showing obligations of Government corporations and other agencies held by the Treasury as of June 30, 1949, appears as table 68.

Under various provisions of law, the Treasury canceled during the year \$70,089,063.83 of its holdings of obligations of Government corporations and agencies.

The Treasury's holdings of capital stock in Government corporations decreased by \$263,003,806.58 during the fiscal year as a result of cash payments in the amount of \$262,977,089.31, cancellations in the amount of \$2,026,717.27, and additional subscriptions in the amount of \$2,000,000. Dividends, interest, and like payments received by the Treasury from Government corporations and other enterprises in which the Government has a financial interest aggregated \$475,612,632.47. Certain transactions of particular interest are described below, and a tabulation showing dividends, interest, and like payments received from Government corporations and other enterprises in which the Government has a financial interest appears as table 79.

Loan to United Nations for permanent headquarters.—The act of August 11, 1948 (Public Law 903, 80th Congress), authorized a loan of \$65,000,000 to the United Nations for the purpose of erecting permanent headquarters in New York City. Under the act, interim financing of the loan, pending an appropriation, was provided by the Reconstruction Finance Corporation which advanced \$25,000,000 to the State Department from funds borrowed from the Treasury without interest. The Reconstruction Finance Corporation repaid the Treasury out of funds derived from the appropriation of \$65,000,-000 for the United Nations loan contained in the act of June 23, 1949 (Public Law 119, 81st Congress).

Relief of Palestine refugees.—The act of March 24, 1949 (Public Law 25, 81st Congress), authorized the appropriation of \$16,000,000 for a special contribution of the United States to the United Nations for relief of Palestine refugees. Under the act, \$8,000,000 was made available immediately by the Reconstruction Finance Corporation which borrowed a like amount from the Treasury without interest for that purpose. The Reconstruction Finance Corporation was reimbursed and in turn repaid the Treasury in the fiscal year 1950 out of

the appropriation for relief of Palestine refugees contained in the act of June 23, 1949 (Public Law 119, 81st Congress).

Loans to Administrator for Economic Cooperation.—Under provisions of the Economic Cooperation Act of 1948, as amended, the Treasury accepted notes of the Administrator for Economic Cooperation in the total amount of \$1,000,000,000. As of June 30, 1949, \$972,300,000 of the notes were for the purpose of loans to participating countries, and \$27,700,000 of the notes were for the purpose of guaranteeing investments in private enterprises undertaken in foreign countries as a part of the Economic Recovery program. The agreement between the Administrator and the Secretary of the Treasury provides that the notes constitute allocations against which the Export-Import Bank of Washington may draw as funds are required. By June 30, 1949, the Bank had drawn \$781,996,988.91 against the loan notes and \$12,389.33 against the guaranty notes, leaving undisbursed balances of \$190,303,011.09 and \$27,687,610.67, respectively. Of the \$12,389.33 drawn against the guaranty notes, \$2,255.90 was repaid to the Treasury.

Pending an appropriation by the Congress, the Treasury advanced without interest \$1,000,000,000 to the Reconstruction Finance Corporation, which amount the Corporation made available to the Economic Cooperation Administration pursuant to the act of April 19, 1949 (Public Law 47, 81st Congress). Subsequent to June 30, 1949, the Foreign Aid Appropriation Act of 1950, approved October 6, 1949 (Public Law 327, 81st Congress), provided for appropriations out of which the Reconstruction Finance Corporation was repaid and in turn repayment was made to the Treasury.

Production credit corporations.—In accordance with the act of June 30, 1948 (Public Law 860, 80th Congress), production credit corporations through the Department of Agriculture returned to the Treasury \$30,000,000, thus reducing to that extent capital stock held by the Government.

Loans to the Secretary of the Army.—Under the provisions of the act of June 29, 1948 (Public Law 820, 80th Congress), the Secretary of the Treasury was authorized to advance to the Secretary of the Army \$150,000,000 for the establishment of a revolving fund (natural fibers revolving fund) for the purchase of agricultural commodities and raw materials to be processed in occupied areas and sold. Under the authority, the Secretary of the Treasury purchased a note of the Secretary of the Army in the amount of \$100,000,000.

Appraisal of the assets and liabilities of the Commodity Credit Corporation.—The appraised value of the assets of the Commodity Credit Corporation as of June 30, 1948, as determined by the Secretary of the Treasury under the act of March 8, 1938, as amended, exceeded the liabilities, the unexpended balance of an appropriation held in reserve for postwar price support of agriculture, and the capital stock by \$48,943,010.36. This amount was paid into the Treasury on June 30, 1949, making the aggregate repayments to miscellaneous receipts \$138,208,747.19, and leaving the net charge against the Treasury for the impairment of capital from inception of the Corporation \$1,897,367,543.78. A statement showing results of annual appraisals appears in table 74.

Interest on capital stock, Commodity Credit Corporation.—The Commodity Credit Corporation Charter Act of June 29, 1948 (Public Law 806, 80th Congress), requires the Commodity Credit Corporation to pay interest to the United States Treasury on the amount of its capital stock at such rates as may be determined by the Secretary of the Treasury to be appropriate. The Corporation paid \$1,875,000 in the fiscal year 1949 as interest at 1½ percent on its capital stock under this requirement.

Cancellation of notes, Commodity Credit Corporation.—Under the requirements of the acts of December 17, 1947 (Public Law 389, 80th Congress), and December 25, 1947 (Public Law 393, 80th Congress), notes of the Commodity Credit Corporation held by the Secretary of the Treasury in the amount of \$56,239,432.11 were canceled, representing the amount of losses incurred by the Corporation through sales of commodities in connection with the foreign-aid program.

Repayment of capital stock, Reconstruction Finance Corporation.—In compliance with the act of May 25, 1948 (Public Law 548, 80th Congress), the Reconstruction Finance Corporation in July 1948 retired all its outstanding capital stock in excess of \$100,000,000 by payment of \$225,000,000 to the Treasury as miscellaneous receipts.

Dividends received from the Reconstruction Finance Corporation.—The act of May 25, 1948 (Public Law 548, 80th Congress), requires an annual payment, between July 1 and December 31, of the amount, if any, by which the accumulated net income of the Reconstruction Finance Corporation exceeds \$250,000,000. Under this provision, the Corporation paid into the Treasury on December 31, 1948, as miscellaneous receipts, a dividend of \$307,391,555 on its capital stock.

Cancellation of notes, Reconstruction Finance Corporation.—The Treasury canceled notes of the Reconstruction Finance Corporation in the amount of \$12,336,701.48 on account of costs incurred subsequent to June 30, 1947, for handling, storing, processing, and transporting critical materials to stock piles, under the act of June 30, 1948 (Public Law 860, 80th Congress). The Treasury also canceled notes of the Reconstruction Finance Corporation in the amount of \$1,512,930.24, representing the net investment of Defense Homes Corporation in two properties known as Lucy Diggs Slowe Hall and George Washington Carver Hall, which were transferred to Howard University, under the act of June 28, 1948 (Public Law 796, 80th Congress). Recoveries of national defense, war, and reconversion costs in the amount of \$100,024,636.84 were deposited in the Treasury as miscellaneous receipts, as required by the act of June 30, 1948. A statement showing all cancellations and recoveries by the Treasury on Reconstruction Finance Corporation notes is shown as table 75.

Dividends on and repayments of capital stock of Federal home loan banks.—Dividends amounting to \$1,442,854.38 on capital stock holdings of the Government in Federal home loan banks were deposited in the Treasury as miscellaneous receipts. The banks also made repayments totaling \$17,298,500 on capital stock, of which \$3,567,300 was required under section 6 (g) of the Federal Home Loan Bank Act, as amended, and \$13,731,200 was voluntary. A statement showing dividends and stock repayments by banks appears as table 77.

Dividends on capital stock of the Federal Farm Mortgage Corporation.—In accordance with the act of June 30, 1948 (Public Law 860, 80th

Congress), the Federal Farm Mortgage Corporation paid to the Treasury as dividends \$68,000,000, which sum was deposited as miscellaneous receipts.

Repayment of capital stock of the Federal Deposit Insurance Corporation.—Under the act of August 5, 1947 (Public Law 363, 80th Congress), the Federal Deposit Insurance Corporation was required to retire its capital stock of \$289,000,000 by paying the amount received therefor to the Secretary of the Treasury to be covered into the Treasury as miscellaneous receipts. Cash payments amounting to \$20,677,589.31 which were received from this source during the year completed the payments due. In the final settlement, stock in the amount of \$1,926,717.27 was canceled, in accordance with the act of June 29, 1948 (Public Law 813, 80th Congress), which authorized cancellation of the stock in an amount equal to the expenditures of the Corporation in administration of the Federal Credit Union Act.

Inland Waterways Corporation.—The Government Corporations Appropriation Act, 1949, approved June 30, 1948 (Public Law 860, 80th Congress), appropriated \$2,000,000 for purchase of capital stock of the Inland Waterways Corporation. This amount was paid to the Corporation for an equivalent amount of capital stock.

Dissolution of the Regional Agricultural Credit Corporation of Washington, D. C.—Pursuant to the act of April 6, 1949 (Public Law 38, 81st Congress), which abolished the Regional Agricultural Credit Corporation of Washington, D. C., its capital stock of \$100,000 was canceled and its assets were transferred to a revolving fund administered by the Secretary of Agriculture. Under the same act, the Treasury transferred the balance of \$44,400,000 which had been held in the Regional Agricultural Credit Corporation revolving fund to the disaster loans, etc., revolving fund under the administrative control of the Secretary of Agriculture.

Federal intermediate credit banks.—In accordance with the Agricultural Credits Act of 1923, as amended by the Farm Credit Act of 1937, each credit bank, at the end of each fiscal year, is required to apply its net earnings remaining after all necessary expenses and costs of operation have been paid or provided for: (1) to making up any losses in excess of reserves, (2) to the elimination of capital impairment, (3) to the creation of reserves against unforeseen losses, and (4) to the payment of 25 percent of the amount then remaining to the United States as a franchise tax. During the fiscal year 1949, \$178,170.76 was deposited into the Treasury.

Panama Railroad Company.—The act of June 29, 1948 (Public Law 808, 80th Congress), provided a Federal charter for the Panama Railroad Company. Under the law, the Company deposited \$10,000,000 in the Treasury from its reserve funds to be maintained as an emergency fund available for loans to the Company for limited periods. Dividends received from the Company during the fiscal year 1949 amounted to \$500,000.

Federal savings and loan associations.—The Treasury received \$18,364.15 as dividends on shares of Federal savings and loan associations and \$184,300.00 in retirement of such shares. At the close of the year, the Treasury held \$136,600.00 in shares acquired under the act of June 13, 1933, as amended April 27, 1934 (48 Stat. 645).

Obligations of foreign governments.—The Government of Finland paid

\$424,594.48 during 1949, representing \$306,672.30 interest and \$117,-922.18 principal, on its obligation arising from World War I. Finland has paid all amounts to date that have been required under its agreements as to World War I indebtedness.

The indebtedness to the United States from foreign governments arising from World War I amounted to \$15,862,387,888.07 as of November 15, 1949, including \$11,434,915,987.42 on account of principal and \$4,427,471,900.65 on account of interest. The principal figure does not include the World War I indebtedness of Germany amounting to \$1,225,023,750.00 (3,037,500,000 reichsmarks). Tables 111 and 112 show the status of the indebtedness of foreign governments to the United States arising from World War I.

The indebtedness of foreign governments to the United States arising from World War II, representing amounts receivable on lend-lease settlement agreements, collections on which are being handled by the Treasury, surplus property sales agreements, and other lend-lease accounts, amounts to \$1,727,912,243.81, details concerning which are shown in table 113. This amount includes \$291,215,172.64 due the United States for the value of silver transferred to foreign governments under the lend-lease program which is to be repaid in kind. Final settlement agreements have not been reached with all foreign governments.

Lend-lease fiscal operations.—The Treasury continued its work under Executive Order 9726, dated May 17, 1946, of billing and collecting from foreign governments for reimbursable supplies and services furnished under lend-lease and reciprocal aid agreements. Collections of \$510,856,688.50 have been made by the Treasury on this account.

Articles and services furnished under agreements to pay cash for such items as authorized by the Lend-Lease Act were reported in the amount of \$21,615,599.81, bringing the total defense aid provided to \$50,228,768,678.21 between March 11, 1941, and June 30, 1949. The increase in the total defense aid provided was the net result of the receipt of heretofore unreported charges affecting both reimbursable and nonreimbursable accounts. Reverse lend-lease, consisting of articles and services furnished by foreign governments to the United States up to September 2, 1945, amounted to \$7,819,322,790.90. Between March 11, 1941, and June 30, 1949, funds received from foreign governments amounted to \$1,731,759,019.96. Of this amount, \$1,255,245,552.88 has been covered into the United States Treasury as miscellaneous receipts; \$222,627,853.06 has been allocated to the procuring agencies under the cash reimbursement program; \$157,924,564.69 has been returned to foreign governments; \$88,299,000.00 was reappropriated to the President by the act of June 30, 1944 (Public Law 382, 78th Congress); \$1,578,332.85 was reimbursed to other agencies; and the remainder of \$6,083,716.48 is being held in the Treasury pending settlements of accounts.

Liquidation of other war agencies.—The liquidation of the residual affairs of certain war agencies, which were transferred under the several Executive orders to the Treasury Department, Bureau of Accounts, for winding up of their fiscal affairs, was practically concluded as of the close of the fiscal year ended June 30, 1949. The agencies include the Division of Central Administrative Services of the Office of Emergency Management, Office of Civilian Defense, War Refugee Board,

Office of Censorship, Office of War Information, Committee on Fair Employment Practices, and Price Decontrol Board.

Liquidation of Tennessee Valley Associated Cooperatives, Inc.—The Treasury completed as of December 31, 1948, liquidation of the Tennessee Valley Associated Cooperatives, Inc., which was created in 1934 under a relief grant of \$300,000 by the Federal Emergency Relief Administration for the purpose of encouraging self-help cooperatives in the Tennessee Valley and contiguous areas. The proceeds of the liquidation, amounting to \$65,475.25, were deposited in the Treasury as miscellaneous receipts, of which amount \$50,000 was deposited in the fiscal year 1948. Of the receipts in 1949, \$1,000 represented repayment of capital stock. A full report of liquidation activities was prepared and transmitted to the Congress.

Final liquidation of securities of cities and counties received from Reconstruction Finance Corporation under the act of February 24, 1938.—The Treasury collected \$9,000 principal and \$681.63 interest on securities of cities and counties turned over to the Treasury by the Reconstruction Finance Corporation in 1938 in connection with the cancellation of its notes under the act of February 24, 1938. The securities consisted of bonds and notes of various cities and counties purchased by the Reconstruction Finance Corporation under emergency relief legislation. The face amount of the securities received from the Reconstruction Finance Corporation was \$2,800,623, all of which has now been collected, plus \$76,845.95 in interest.

Liquidation of railroad obligations.—During the fiscal year the Treasury realized \$961,678.05 on account of securities acquired by the United States in connection with loans which were made to railroads under sections 207 and 210 of the Transportation Act of 1920. Of this amount, \$694,567.50 was collected as interest and dividends on securities of the Seaboard Air Line Railway Company. Of the balance, \$172,750 represents the proceeds of the sale of 13,676 shares of the common stock of the Minneapolis and St. Louis Railway Company, \$81,122.55 represents the proceeds of the sale of \$124,900 face amount of Alabama, Tennessee and Northern Railroad Company 4½ percent general mortgage income bonds, and \$13,238 represents dividends and interest earnings on railroad securities owned by the Treasury other than those held by the Reconstruction Finance Corporation. A statement concerning the liquidation of railroad obligations appears as table 78.

Liquidation of assets of Prencinradio, Inc.—The Prencinradio, Inc., a dissolved corporation, assigned to the Secretary of the Treasury its remaining assets consisting of obligations from a Mexican motion picture studio amounting to approximately \$8,000. These obligations are collectible through the Bank of Mexico, S. A., trustee under a trust agreement entered into on March 20, 1943, with respect to sales of motion picture equipment to motion picture studios in Mexico and collections of the sales prices.

Bonds of the Republic of the Philippines.—The Republic of the Philippines paid an additional \$2,800,000 to the Government of the United States for deposit to the special trust account which was established in the Treasury for the purpose of paying principal and interest on pre-1934 Philippine government bonds. The money was invested

in accordance with the act of August 7, 1939. The amounts of cash and investments in the special trust account as of June 30, 1949, are shown in table 106.

Deposits of the Republic of the Philippines.—Under authority of the act of June 11, 1934, as amended by the act of August 7, 1946 (Public Law 654, 79th Congress), and agreements with the Republic of the Philippines, the Treasury maintains two interest-bearing time deposit accounts for public moneys of the Republic. The authority to maintain the accounts will expire July 1, 1951. As of June 30, 1949, the accounts consisted of deposits of \$55,000,000 at 2 percent interest and \$160,000,000 at 1 percent interest. The Republic of the Philippines has passed a Central Banking Act, under authority of which the two accounts were transferred from the control of the Treasurer of the Philippines to the Central Bank of the Philippines.

American-Mexican Claims Commission.—The Treasury received from the Government of the United States of Mexico \$2,500,000 in November 1948 as an installment on the \$40,000,000 which Mexico, in the Convention of November 19, 1941, agreed to pay in full settlement of the claims of American nationals as adjudicated by the American-Mexican Claims Commission. The amount enabled a further distribution of 6.4 percent on the unpaid principal amount of each award, making a total distribution of 58.9 percent. A statement of the Mexican claims fund appears as table 105.

Mixed Claims Commission, United States and Germany.—The Treasury made a further distribution on the awards of the Mixed Claims Commission out of funds certified for payment by the Department of Justice, in accordance with the Settlement of War Claims Act of 1928, as amended by the act of August 6, 1947 (Public Law 375, 80th Congress). The amounts received from the Department of Justice, which totaled \$1,974,246.01, were sufficient to make possible a distribution of 4 percent on the accrued interest on awards in excess of \$100,000 to American nationals. A statement showing the payments by classes and status of the account is shown as table 104.

FISCAL SERVICE—BUREAU OF THE PUBLIC DEBT

The Bureau of the Public Debt performs the administrative work in connection with the management of the public debt, including the preparation of offering circulars and regulations, issuance of securities and processing of transactions relating thereto, final audit and custody of securities retired, keeping of accounts for registered securities, and drawing of interest checks. A detailed description of the duties of the Bureau is contained in the annual report for 1948, page 85.

A summary of public debt operations handled by the Bureau appears on pages 73 to 83 of this report, and a series of statistical tables dealing with the public debt will be found in tables 11 to 27, and 35 to 40.

The public debt of the United States falls into two broad categories: (1) public issues, and (2) special issues. The public issues are classified as to marketable obligations, consisting mainly of Treasury bills, certificates of indebtedness, Treasury notes, and Treasury bonds; and nonmarketable obligations, consisting mainly of United States savings bonds, armed forces leave bonds, Treasury savings notes.

During the fiscal year 1949 the public debt increased by \$478,113,347 and the guaranteed obligations held outside the Treasury declined by \$46,185,411. The combined total of the public debt and the guaranteed obligations outstanding on June 30, 1949, was \$252,797,635,268, which compares with a total outstanding of \$252,365,707,331 on June 30, 1948.

Total public debt issues, including issues in exchange for other securities, amounted to \$118,201,295,521 during the fiscal year 1949, and retirements amounted to \$117,723,182,174. A summary showing the effect of Government operations on the public debt will be found on page 61 of this report.

There were no new issues of marketable securities for raising additional cash during the year, although Treasury bills, certificates of indebtedness, and notes were issued in connection with refunding operations. These operations are set forth in the tables on pages 75 and 76.

On June 30, 1949, there were 5,848 employees on the rolls of the Bureau of the Public Debt, as compared with 7,990 on June 30, 1948. The decrease of more than 2,000 employees was made possible through a reduced work load and improved operating procedures.

United States savings bonds.—In terms of volume of work, the issue and redemption of United States savings bonds represents by far the largest administrative problem of the Bureau. Since these bonds are in registered form and in the hands of millions of the American people, the task of maintaining both alphabetical and numerical records of over 1.2 billion of these bonds, the replacement of lost or stolen bonds, and the handling of erroneous redemptions by financial institutions throughout the country on forged signatures involves an administrative task of considerable magnitude.

Receipts from the sales of savings bonds during the year were \$7,140,994,386 and accrued discount charged to the interest account and credited to the savings bond principal account amounted to \$926,653,437, a total of \$8,067,647,822. Expenditures for redeeming savings bonds, including matured bonds, amounted to \$5,067,374,781. The amount of savings bonds of all series outstanding on June 30, 1949, including accrued discount, was \$56,332,943,555, an increase of \$3,000,273,041 over the amount outstanding on June 30, 1948. Detailed information regarding savings bonds will be found in tables 28 to 33 of this report.

During the fiscal year 1949 approximately 66.2 million stubs representing issued bonds of Series E were received for registration, making a total of 1,247 million, including reissues, received through June 30, 1949. These stubs are sorted in numerical sequence of their bond serial numbers and microfilmed, and then are sorted alphabetically by name of owner and microfilmed, after which the original stubs are destroyed. The microfilms serve as permanent registration records. During the year substantial backlogs in these operations were eliminated as indicated in the following table, which shows the processing, at various stages, of the registration stubs of Series E savings bonds.

Period	Stubs received	Numerically filmed	Alphabetically sorted		Alphabetically filmed	Destroyed after filming
			Restricted basis sort ¹	Fine sort prior to filming ²		
	In millions of pieces					
Cumulative through June 30, 1946.....	1, 042. 3	1, 022. 1	958. 9	535. 4	317. 9	265. 6
Fiscal year:						
1947.....	76. 8	76. 1	120. 4	37. 9	120. 1	152. 3
1948.....	61. 7	66. 2	72. 4	323. 1	318. 4	196. 2
1949.....	66. 2	58. 9	58. 5	290. 5	382. 8	447. 4
Total.....	1, 247. 0	1, 223. 3	1, 210. 2	1, 186. 9	1, 139. 2	1, 061. 5

¹ Not complete alphabetical arrangement but sorted to a degree that individual stubs can be located. Includes those stubs fine sorted.

² Completely sorted.

Over 92 million retired savings bonds of all series were received during the year, bringing the total received as of June 30, 1949, to over 784 million. Retired bonds are audited and then microfilmed after which the bonds may be destroyed. Destruction of bonds will commence in the fiscal year 1950. The audit is conducted in the regional offices of the Register of the Treasury, and the bonds of all series received in these offices have been audited and microfilmed to the extent indicated in the following table:

Period	Bonds received	Audited	Micro-filmed	Balance unaudited	Balance unfiled
In millions of pieces					
Cumulative through June 30, 1946.....	27.9	19.2	-----	8.7	27.9
Fiscal year:					
1947.....	113.3	118.4	-----	3.6	141.2
1948.....	95.1	94.6	51.7	4.1	184.6
1949.....	85.7	86.8	171.4	3.0	98.9
Total.....	322.0	319.0	223.1	3.0	98.9

After the retired bonds have been audited their serial numbers are posted to numerical registers, and the postings are verified. The following statement shows the status of the posting of all series of retired savings bonds.

Period	Bonds re- ceived	Status of posting			
		Posted	Verified	Unposted	Unverified
	In millions of pieces				
Cumulative through June 30, 1946.....	454.2	384.0	313.5	70.2	70.5
Fiscal year:					
1947.....	137.9	195.7	256.5	12.4	9.7
1948.....	99.5	105.2	110.8	6.7	4.1
1949.....	92.5	96.8	94.9	2.4	6.0
Total.....	784.1	781.7	775.7	2.4	6.0

Of the 80.8 million Series A-E savings bonds redeemed prior to release of registration and received in the regional offices during the year, 76.7 million, or 95 percent, were redeemed by over 16,000 paying agents, who were reimbursed for this service at the rate in each quarter-year of 15 cents each for the first 1,000 bonds paid and 10 cents each for all over the first 1,000. The total amount paid to agents on this account during the year was \$9,500,000, which was at an average rate of 12.38 cents per bond.

The following table shows the number of issuing and paying agents for Series E savings bonds, by classes.

June 30	Post offices	Banks	Building and sav- ings and loan	Credit unions	Companies operating payroll plans	All others	Total
Issuing agents							
1947.....	25,420	15,178	1,856	719	2,910	1,320	47,403
1948.....	25,179	15,178	1,706	615	3,289	605	46,572
1949.....	24,944	15,205	1,621	565	3,192	595	46,122
Paying agents							
1947.....		15,176	683	140		53	16,052
1948.....		15,527	786	145		50	16,508
1949.....		15,559	863	138		64	16,624

During the year, 8,583,153 Series G bond interest checks were issued with a value of \$425,183,680. This is an increase of about 200,000 checks over the number issued during 1948.

There were 36,343 applications during the year for the issue of duplicates of lost, stolen, or destroyed savings bonds, in addition to 3,047 cases on hand at the beginning of the year, making a total of 39,390 cases, of which 9,378 were credit cases referred to Washington for settlement. In 9,654 cases the bonds were recovered, and in 18,188 cases the issuance of duplicate securities was authorized. On June 30, 1949, only 2,170 cases remained on hand.

During the year accounting and reporting systems were established in the Washington and Chicago Offices to provide essential records of transactions in connection with savings bonds and armed forces leave bonds subjected to erroneous payment investigation.

Registered accounts for other than savings bonds.—During the year 17,000 individual accounts covering publicly held registered securities other than savings bonds were opened and 38,000 were closed, making a total of 382,000 such accounts open on June 30, 1949, covering registered securities in the principal amount of \$15 billion. A total of 758,000 interest checks were issued to owners of record during the year, which was a decrease of 38,000 from 1948.

Armed forces leave bonds.—Through June 30, 1949, armed forces leave bonds aggregating \$2,088,525,000 in face value had been issued and \$1,687,936,000 had been redeemed, leaving a balance of \$400,589,000 outstanding on that date. The issues and redemptions of armed forces leave bonds monthly during 1949, on the daily Treasury statement basis, are shown in table 21, and the accumulated issues and redemptions of the issues outstanding on June 30, 1949, on the Public

Debt accounts basis, are shown in table 17. The following statement shows the issues, redemptions, and those outstanding for selected periods:

Period	Issued	Redeemed	Outstanding at end of period
In thousands of dollars			
Oct. 1, 1946, to Apr. 30, 1947.....	1,721,045	38,151	1,682,893
May 1 to Aug. 31, 1947.....	205,557	23,457	1,864,993
Sept. 1 to Oct. 31, 1947.....	90,568	1,047,022	908,540
Nov. 1, 1947, to June 30, 1948.....	63,866	408,252	564,153
July 1, 1948, to June 30, 1949.....	7,490	171,054	400,589
Total.....	2,088,525	1,687,936	-----

¹ Redemption on and after Sept. 1, 1947, at owner's option, was provided in amendment to Armed Force Leave Act, approved July 26, 1947.

The total number of armed forces leave bonds issued, including reissues, through June 30, 1949, was 10,111,984 and the number retired was 8,237,976. Of the total bonds issued, 6,927,484 were issued by the Army, 2,611,617 by the Navy, 415,343 by the Marine Corps, and 157,540 by the Coast Guard.

Redeemed currency.—On July 1, 1948, the Division of Loans and Currency (Washington) had on hand 8,248 unaudited bundles (4,000 half-notes each) of United States currency that had been retired from circulation as unfit. During the year 321,515 bundles were received, an increase of 24,042 bundles over 1948; and 307,515 bundles were audited, leaving a balance of 22,248 unaudited bundles on hand on June 30, 1949.

The Destruction Committee supervised the incineration of redeemed canceled currency during the year as follows:

Class of currency	Pieces	Value
Gold certificates.....	112,853	\$2,622,020
Silver certificates.....	1,182,931,171	1,709,000,120
United States notes.....	46,076,727	187,350,210
Treasury notes of 1890.....	147	700
Federal Reserve notes.....	429,533,749	5,274,296,715
Federal Reserve Bank notes.....	2,341,828	44,766,891
National bank notes.....	422,445	6,523,320
Fractional currency.....	3,095	747
Total.....	1,661,422,615	7,224,560,723

FISCAL SERVICE—OFFICE OF THE TREASURER OF THE UNITED STATES

The Office of the Treasurer of the United States is essentially a banking facility of the Government. The responsibilities of the Treasurer include the receipt of all public moneys; custody, issue, and redemption of United States currency and coin; payment of Government checks; custody of securities deposited in the Treasury as collateral or for safekeeping; and payment of principal and interest on the public debt. The Office of the Treasurer of the United States prepares the *Daily Statement of the United States Treasury*, which recapitulates all transactions in the accounts of the Treasurer, and

issues monthly statements of the public debt and of currency outstanding.

Money received and disbursed by the Treasurer.—Moneys collected by Government officers are deposited with the Treasurer at Washington and in Federal Reserve Banks and designated Government depositories for credit of the account of the Treasurer of the United States, and all payments are charged against this account. The transactions affecting the Treasurer's account are published in the *Daily Statement of the United States Treasury*. Total receipts and payments during the year, as shown in these statements, compared with the previous year are as follows:

	1948 ¹	1949 ¹
Receipts:		
Budgetary (net) ²	\$42,210,770,492.68	\$38,245,667,810.11
Trust accounts, etc. ³	6,515,230,080.67	5,714,426,671.10
Public debt ⁴	121,289,682,653.50	118,201,295,520.89
Subtotal.....	170,015,683,226.85	162,161,390,002.10
Balance in general fund beginning of year.....	3,308,136,929.36	4,932,021,477.07
Total.....	173,323,820,156.21	167,093,411,479.17
Expenditures:		
Budgetary (net) ⁵	33,791,300,648.87	40,057,107,857.79
Trust accounts, etc. ³	6,809,572,742.28	6,209,160,036.37
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks.....	507,106,038.81	⁶ 366,441,900.21
Public debt ⁴	127,283,819,249.18	117,723,182,173.55
Subtotal.....	168,391,798,679.14	163,623,008,167.50
Balance in general fund at close of year.....	4,932,021,477.07	3,470,403,311.67
Total.....	173,323,820,156.21	167,093,411,479.17

¹ See table 1, footnote 7.

² Total budget receipts less amounts appropriated to Federal old-age and survivors insurance trust fund and refunds of receipts. See also table 1, footnote 3. For details of receipts for 1949, see table 3.

³ For details for 1949, see table 4.

⁴ For details for 1949, see table 21.

⁵ See table 1, footnotes 3 and 4. For details for 1949, see table 3.

⁶ Excess of credits (deduct).

Assets and liabilities of Treasurer's account.—The assets of the Treasurer consist of gold and silver bullion, coin and paper currency, and deposits in Federal Reserve Banks and commercial banks designated as Government depositories. A summary of the assets and liabilities in the Treasurer's account at the close of the fiscal years 1948 and 1949 is shown in table 41.

Gold.—Gold receipts during 1949 amounted to \$1,420 million and disbursements totaled \$486.5 million, a net increase of \$933.5 million. This increase brought the total gold assets to \$24,465.9 million on June 30, 1949. Liabilities against these assets were \$23,287.8 million of gold certificates and credits payable in gold certificates and \$156.0 million for gold reserve against currency. The balance, \$1,022.0 million, was in the general fund on June 30, 1949.

Credits during the year to the gold increment account, as a result of the revaluation of gold in relation to the dollar, amounted to \$105,437.02. This makes a total dollar increment from 1934 through the fiscal year 1949 of \$2,819,139,301.25.

Silver.—During the year 25.9 million ounces of silver bullion, which had been carried in the general fund at a cost value of \$23.4 million, was monetized at a monetary value of \$33.5 million. This \$33.5

million increase in silver assets was offset by a decrease of \$8.3 million in holdings of silver dollars, making a net increase of \$25.2 million in assets during the year. As of June 30, 1949, the silver assets of the Treasurer (exclusive of subsidiary coin and bullion held in the general fund at cost and recoinage value) amounted to \$2,314.9 million.

Liabilities against silver at the end of the year amounted to \$2,265.7 million for silver certificates outstanding and \$1.1 million for Treasury notes of 1890 outstanding, leaving a net balance of \$48.0 million in the general fund.

The silver bullion held in the general fund at cost value (exclusive of the \$48.0 million at monetary value) decreased from \$91.2 million on June 30, 1948, to \$88.3 million on June 30, 1949. This decrease of \$2.9 million is accounted for as follows: \$32.9 million net purchases of silver less \$23.4 million of silver monetized and less \$12.4 million of silver used for coinage.

The silver assets of the Treasurer formerly held by the Defense Plants Corporation, a subsidiary of the Reconstruction Finance Corporation, have been returned to the Treasury. This silver, which was converted into bus bars for industrial use in connection with the prosecution of the war, is now being melted down by the Bureau of the Mint and reduced to its original form and fineness. The Reconstruction Finance Corporation has arranged that the Treasury will receive the full 274,294,395.13 ounces due.

Subsidiary silver and minor coins.—Shipments of subsidiary silver and minor coins from United States mints during the year for circulation usage amounted to \$47,693,386.39 as compared with \$53,800,201.82 the year before. The following table shows the shipments by denominations:

Denomination	1948	1949
Half dollars.....	\$6, 181, 103. 50	\$5, 660, 021. 00
Quarters.....	13, 259, 438. 00	13, 799, 511. 50
Dimes.....	19, 832, 600. 20	14, 380, 474. 50
Nickels.....	7, 743, 200. 10	7, 473, 102. 15
Cents.....	6, 783, 860. 02	6, 380, 277. 24
Total.....	53, 800, 201. 82	47, 693, 386. 39

Paper currency.—Under the laws of the United States the Treasurer is the agent for the issue and redemption of United States currency and coin.

Table 84 shows by class and denomination the value of paper currency issued and redeemed during 1949, and the amounts outstanding at the end of the fiscal year.

A comparison of the amounts of paper currency of all classes issued, redeemed, and outstanding, follows:

	Fiscal year 1948		Fiscal year 1949	
	Pieces	Amount	Pieces	Amount
Outstanding at beginning of year.....	2, 831, 247, 890	\$30, 753, 530, 863	2, 825, 197, 185	\$30, 446, 577, 581
Issues during year.....	1, 629, 622, 410	6, 933, 625, 000	1, 724, 113, 091	7, 246, 488, 000
Redemptions during year.....	1, 635, 673, 115	7, 240, 578, 282	1, 748, 990, 571	7, 757, 292, 946
Outstanding at end of year.....	2, 825, 197, 185	30, 446, 577, 581	2, 800, 319, 705	29, 935, 772, 635

For further details on stock and circulation of money in the United States, see tables 80 to 83.

Depositories.—The following table shows the number of each class of depositories and balances at the end of the year:

Class	Number of facilities	Deposits to the credit of the Treasurer, U. S., June 30, 1949
Federal Reserve Banks and branches.....	36	\$541,262,401.64
Other banks in continental United States:		
General depositories.....	1,036	203,182,083.25
Special depositories, withheld taxes and sales of United States securities.....	10,544	1,770,628,117.25
Depositories for withheld taxes, time deposits.....	669	10,209,500.00
Insular and territorial depositories.....	34	24,318,206.57
Foreign depositories.....	18	26,829,621.59
Philippine treasury.....	1	19,017,262.43
Total.....	12,338	2,595,447,192.73

For details on the administrative work relating to designation of depositories see page 138.

Checking accounts of disbursing officers and agencies.—During the year the Treasurer maintained 4,465 checking accounts of disbursing officers and Federal agencies, including those maintained at the Federal Reserve Banks as fiscal agents of the United States. The number of disbursing officers' accounts by classes and the number of checks paid during the fiscal year were as follows:

Disbursing officers	1948		1949	
	Number of disbursing officers' accounts	Number of checks paid	Number of disbursing officers' accounts	Number of checks paid
Treasury.....	1,017	162,508,252	767	177,886,692
Army.....	1,251	26,699,008	887	25,136,684
Navy.....	1,794	24,096,163	1,395	25,193,254
Air Force.....	70	-----	140	4,191,637
Other.....	1,207	22,924,534	1,276	23,992,604
Total.....	5,339	236,227,957	4,465	256,400,871

Of the 256,400,871 checks paid in the fiscal year 1949, 210,876,422 were in the form of card checks. There were 192,754,007 checks paid by the Federal Reserve Banks acting as fiscal agents of the Treasurer and the remaining 63,646,864 were paid by the Treasurer in Washington.

The amount to the credit of checking accounts of disbursing officers and agencies on the books of the Treasurer of the United States on June 30, 1949, was \$7,135,391,447.41, as compared with \$8,466,658,-574.14 on June 30, 1948.

Check claims.—During the year the Treasurer of the United States issued 26,915 checks totaling \$1,666,091.91 in settlement of claims for the proceeds of checks which had been paid bearing forged or unauthorized endorsements. The Chief Disbursing Officer issued 42,843 substitute checks totaling \$9,174,915.78 to replace unpaid checks

which, it was claimed, had not been received or were lost, destroyed, etc. Many additional claims were received but not honored because they were not well founded. Cases involving forgeries are investigated by the United States Secret Service. For information on check forgeries see report of the United States Secret Service, page 183.

Use of outstanding check lists in processing claims.—A new procedure has been developed whereby the producing of lists of outstanding checks on a more current basis by the General Accounting Office will result in improvements in processing check claims. The lists will reduce materially the searching required to determine whether the check claimed not to have been received by the payee has been paid and will thus result in savings to the Government and prompt service to the claimant.

Erroneous negotiation of checks by persons having same name as payee.—During the past few years the Treasury has experienced considerable difficulty in connection with checks negotiated by persons having the same name as the persons in whose favor the checks were drawn. Prior to May 1949 it was the practice of the Government in most cases not to make payment to the rightful owner until recovery could be made on account of the check erroneously paid. The Treasury, in cooperation with the General Accounting Office and Veterans' Administration, has adopted a new procedure in connection with Veterans' Administration checks whereby in most cases the rightful payee can be paid as soon as it has been determined that he was not involved in the erroneous negotiation of the original check. The new procedure has resulted in economies in the Secret Service Division and also in the Office of the Treasurer of the United States, since the Treasury is now relieved of handling about 90 percent of the so-called "identical name cases." The same procedure is now being considered in connection with Internal Revenue refund checks.

Treasurer's Cash Room.—The commercial checks, drafts, postal express money orders, etc., deposited by Government officers with the Treasurer's Cash Room in Washington for collection aggregated 3,327,-236 items for the fiscal year 1949, as compared with 3,061,221 items for the fiscal year 1948.

Treasurer's Securities Division.—The public debt securities and interest coupons examined by the Division of Securities of the Treasurer's Office are as follows:

	Pieces	
	1948	1949
Marketable securities:		
Principal.....	1,404,562	1,139,876
Interest coupons.....	17,985,111	16,213,801
Nonmarketable securities:		
Armed forces leave bonds ¹	11,152	5,985
United States savings bonds ¹	63,869	57,310
United States savings stamps.....	3,106,926	2,141,780
Other.....	377,016	320,380
Total.....	22,948,636	19,879,132

¹ Armed forces leave bonds and United States savings bonds paid by Federal Reserve Banks are sent directly to the Register of the Treasury by the Federal Reserve Banks.

United States savings bonds.—As of July 1, 1948, the issuance of savings bonds on mail applications, hitherto handled in Washington by the Treasurer of the United States, was decentralized to the Federal Reserve Banks, resulting in a reduction of 20 employees in the Office of the Treasurer. Under this procedure, issues by the Treasurer were reduced during the year from 282 thousand bonds, in the amount of \$24,916 thousand, to 80 thousand bonds, in the amount of \$9,538 thousand.

The Treasurer issued and redeemed the following number and amount of savings bonds during the fiscal years 1948 and 1949:

	1948 ¹		1949	
	Number	Amount	Number	Amount
Issues: ²				
E.....	274,562	\$18,975,375.00	76,544	\$5,464,931.25
F.....	2,148	927,310.00	575	506,012.00
G.....	5,250	5,013,800.00	2,712	3,567,100.00
Total.....	281,960	24,916,485.00	79,831	9,538,043.25
Redemptions: ²				
A-D.....	9,640	2,478,458.05	9,555	3,055,132.07
E.....	47,112	2,697,276.47	39,485	2,545,555.91
F.....	2,427	2,284,779.88	2,935	2,111,251.09
G.....	4,690	4,643,258.10	5,335	5,202,878.19
Total.....	63,869	12,103,772.50	57,310	12,714,817.26

¹ Includes issues on mail applications.

² For the most part United States savings bonds are issued and redeemed by issuing and paying agents throughout the country (see page 148).

Savings bonds placed in safekeeping with the Treasurer and then withdrawn therefrom are as follows:

	Number	
	1948	1949
In safekeeping at beginning of year.....	809,694	740,809
Placed in safekeeping.....	90,044	75,507
Withdrawn from safekeeping.....	899,738	816,316
In safekeeping at end of year.....	158,929	121,566
	740,809	694,750

Securities held in safekeeping.—The face value of securities held by the Treasurer in safekeeping on June 30, 1948, and June 30, 1949, is shown in the following table:

Purpose for which held	June 30, 1948	June 30, 1949
To secure deposits of public moneys in depository banks	\$255, 118, 700	\$304, 462, 200
To secure deposits of postal savings funds.....	6, 510, 950	7, 079, 800
For District of Columbia:		
Teachers' retirement and annuity fund.....	13, 808, 850	14, 902, 850
Water fund.....	1, 773, 000	1, 773, 000
Other.....	17, 586, 670	5, 586, 670
United States savings bonds held for various depositors.....	56, 795, 350	54, 239, 280
For the Board of Trustees, Postal Savings System.....	2, 498, 624, 100	2, 358, 542, 660
For the Secretary of the Army.....	6, 895, 480	6, 895, 480
For the Secretary of the Treasury:		
Foreign obligations (World War I).....	12, 072, 034, 757	12, 071, 934, 757
Obligations on account of sales of surplus property.....	46, 737, 095	46, 737, 095
Capital stock and obligations of Government corporations and agencies.....	14, 795, 898, 044	9, 463, 984, 645
Other.....	11, 037, 007	12, 218, 987
For Federal Deposit Insurance Corporation.....	806, 000, 000	923, 000, 000
For Attorney General ¹	21, 071, 070	21, 151, 134
Miscellaneous.....	131, 644, 333	110, 491, 352
Total.....	30, 741, 535, 406	25, 402, 999, 910

¹ Noninterest-bearing participating certificate for funds deposited in German special deposit account.

Servicing of securities for other Federal agencies.—In accordance with agreements between the Secretary of the Treasury and the several Government corporations and agencies and insular governments, the Treasurer of the United States acts as special agent for the payment of principal of and interest on their securities. The amounts of such payments during the fiscal year 1949, on the basis of the daily Treasury statement, were as follows:

	Principal	Interest paid in cash	Registered interest	Coupon interest
Federal home loan banks.....	\$300, 465, 000	\$4, 098, 642. 37	-----	\$3, 156. 25
Federal farm loan bonds.....	341, 200	1, 291. 50	\$21, 189. 25	10, 278, 397. 82
Federal Farm Mortgage Corporation.....	549, 900	872. 89	-----	39, 901. 39
Federal Housing Administration.....	15, 974, 150	200, 404. 68	389, 336. 62	-----
Home Owners' Loan Corporation.....	737, 075	690. 00	-----	43, 634. 55
Public Housing Administration.....	1, 000	-----	-----	-----
Philippine Islands.....	14, 000	140. 00	163, 802. 50	1, 030, 565. 00
Puerto Rico.....	524, 500	2, 192. 50	101, 295. 00	368, 430. 00
Total.....	318, 606, 825	4, 304, 233. 94	675, 623. 37	11, 764, 085. 01

Death of Mr. Julian.—Mr. William A. Julian, of Ohio, who served as Treasurer of the United States from June 1, 1933, to May 29, 1949, was killed in an automobile accident on May 29, 1949. He was succeeded by Mrs. Georgia Neese Clark, of Richland, Kans., who became the first woman to hold the Office of Treasurer of the United States.

BUREAU OF INTERNAL REVENUE

The Bureau of Internal Revenue is responsible for the assessment and collection of all taxes imposed by any law providing internal revenue. It also has responsibilities under statutes which, while not imposing taxes, relate to internal revenue. Among these are the Federal Alcohol Administration Act, the Liquor Enforcement Act of 1936, the Federal Firearms Act, and the Stabilization Act of 1942.

Certain of the major functions of the Bureau are described herein. A more detailed description will be found in the Annual Report of the Commissioner of Internal Revenue for 1949.

COLLECTIONS

Internal revenue collections for the fiscal year 1949 totaled \$40,-463,119,233, which was 3.3 percent less than the total for the preceding year. The collections in which the principal decreases occurred were individual income taxes and estate and gift taxes. The principal increases occurred in collections of corporation income taxes, manufacturers' excise taxes, and employment taxes.

Collections by tax sources for the fiscal years 1929-49 are shown in table 7 in the tables section of this report. A comparison of collections from the principal sources of tax revenue for the fiscal years 1948 and 1949 follows.

Source	Fiscal year 1948	Fiscal year 1949	Percent in- crease, or decrease (—)
	In thousands of dollars		
Income and profits taxes:			
Individual (including withheld).....	20,997,781	18,051,822	—14.0
Corporation.....	10,174,410	11,553,609	13.6
Total income and profits taxes.....	31,172,191	29,605,491	—5.0
Employment taxes.....	2,381,342	2,476,113	4.0
Estate and gift taxes.....	899,345	796,538	—11.4
Liquor taxes ¹	2,255,320	2,210,601	—2.0
Tobacco taxes.....	1,300,280	1,321,875	1.7
Stamp taxes.....	79,466	72,828	—8.4
Manufacturers' excise taxes.....	1,649,234	1,771,533	7.4
Retailers' excise taxes.....	469,923	449,211	—4.4
Miscellaneous taxes ²	1,657,434	1,758,930	6.1
Total collections ¹	41,864,536	40,463,119	—3.3

¹ Excludes collections for credit to trust accounts.

² Includes repealed taxes.

ENFORCEMENT ACTIVITIES

Additional assessments resulting from enforcement operations in 1949 totaled nearly \$1.9 billion which represented a slight decrease from the preceding year. Distrain warrant collections continued to increase, however, and reached a total of \$347 million for the year. A comparison of the 1949 totals with earlier years is as follows.

Fiscal year	Additional assess- ments	Distrain warrant col- lections ¹	Fiscal year	Additional assess- ments	Distrain warrant col- lections ¹
	In thousands of dollars			In thousands of dollars	
1942.....	438,441	62,572	1946.....	1,280,218	198,731
1943.....	566,058	73,127	1947.....	1,928,610	269,455
1944.....	730,974	83,339	1948.....	1,897,015	280,184
1945.....	922,428	166,488	1949.....	1,891,679	346,509

¹ Distrain warrant collections represent primarily collections of undisputed amounts which taxpayers have failed to pay when due. Occasionally, it becomes necessary to collect additional assessments by distrain warrant, but these cases represent only a small portion of the total distrain warrant collections.

Audits and investigations of income and profits tax cases accounted for 90 percent of the additional assessments made in 1949. To a large extent, these assessments were made as the result of errors and omissions discovered in the routine audit of returns. Not counting special fraud investigations, 3,073,301 returns of all kinds—including 2,472,030 individual income tax returns and 211,403 corporation income and profits tax returns—were examined or investigated under procedures involving direct contact, either personal or by correspondence, with taxpayers. The number of returns subjected to these enforcement processes was approximately the same as in the preceding year. Additional tax was assessed in about half of these cases. However, this proportion would not hold true if all returns were investigated, since the examined returns were selected by special procedures designed to segregate the returns most likely to need correction.

There remains a large backlog of returns for the tax year 1946 which require prompt examination in order that the Government may recover taxes properly due before statutory limitations intervene. To this group there have been added many millions of returns relating to the tax years 1947 and 1948 which, by reason of the continuing high income levels and high tax rates, are productive of substantial amounts of revenue upon audit.

In addition to the foregoing examinations, 2,962 fraud investigations were made, resulting in prosecution recommendations against 1,208 individuals. Numerous investigations were made also under the Federal Alcohol Administration Act and other regulatory statutes. Cash penalties of a civil nature were assessed in many of the cases which did not warrant criminal prosecution.

The increase in the number of persons convicted on tax evasion charges furnishes an additional indication of the effectiveness of enforcement efforts. The record of convictions, beginning with the fiscal year 1945, is as follows:

Fiscal year	Individuals convicted
1945	65
1946	149
1947	182
1948	315
1949	346

WORK-LOAD

The work-load of the Bureau in the fiscal year 1949 was greater than in 1948 in both service and enforcement tasks. More than half of the Bureau's employees were engaged full time in providing necessary facilities and services for the more than 50 million taxpayers who settle their accounts voluntarily. Among the service tasks performed were (1) receipt, control, and filing of 220 million tax returns and directly related information documents, (2) assessment of the taxes reported thereon, and accounting for the funds paid in, (3) computation of income tax liability for more than 19 million individuals filing returns on Form 1040A, and (4) the scheduling of income tax refunds for more than 36 million individuals whose prepayments exceeded their liabilities.

The number of returns of all types awaiting action by the enforcement groups at the beginning of the year was 84,650,469. Returns filed with the Bureau or reopened during the year totaled 88,654,565 (approximately the same number as the preceding year), and the number of returns disposed of was 94,305,214 (an increase of 14.0 percent over 1948). Thus, there remained a backlog of 78,999,820 returns awaiting action at the close of the year—a decrease of 6.7 percent as compared with the number at the beginning of the year. All but 425,695 of the returns awaiting action on June 30, 1949, were income or profits tax cases.

While these statistics give a broad view of the enforcement workload, it must be understood that tax returns vary widely in the amount of attention they require and that, in fact, many returns are disposed of after only superficial examination. In many cases the expenditure of investigative resources would be uneconomical. On the other hand, a sizeable number of cases, worthy of investigation, cannot be investigated at this time because of the lack of sufficient personnel. Thus, of the 94,305,214 returns of all types disposed of during the year, 91,231,913 were disposed of without audit or investigation. The remaining 3,073,301 returns were subjected to audit as described in the "Enforcement Activities" section of this report.

In addition to the large number of returns which must be processed, the work-load also includes many thousands of claims for adjustments based on section 722 and the various "carry-back" provisions of the Internal Revenue Code. While these cases are not nearly so numerous as the returns to be processed, their complexity and importance necessitate the diversion of a large percentage of the best-trained technicians in the Bureau. Under the provisions of section 722, which allows relief from excess profits tax for corporations under certain circumstances, there had been filed as of the close of the year more than 53,000 applications for excess profits tax reductions totaling more than \$6.2 billion, of which claims 22,000 totaling \$4.9 billion were still pending on June 30, 1949.

"Carry-back" allowances of \$203 million were made during the year under the "quick refund" provisions of the Tax Adjustment Act of 1945.

IMPROVEMENTS IN ORGANIZATION AND PROCEDURES

Throughout the year much attention was given to the development of organizational and procedural improvements that represent greater efficiency and economy in the Bureau's operations. The committee to direct management studies of the Bureau of Internal Revenue, established by order of the Secretary of the Treasury on July 2, 1948, afforded valuable consultative assistance to the Commissioner in the analysis of possible solutions for management problems. A management-engineering firm was employed to make a study of operating methods in the offices of collectors of internal revenue; the report of this firm contained numerous recommendations for changes in procedures. Many of these recommendations have been adopted and installed, and the others are being tested in pilot operations conducted under the supervision of special task forces.

The Estate and Gift Tax Division was transferred from the Miscel-

laneous Tax Unit to the Income Tax Unit. Additional decentralization of administrative services was achieved by the transfer of certain personnel records to field offices and by greatly enlarging the authority of field officers to approve personnel actions. Important progress was made in the mechanizing of operations in collectors' offices, particularly in the rapid acceleration of the microfilming program and the installation of punch-card tabulating equipment and procedures in seven additional collection districts. A more detailed discussion and additional examples of the Bureau's improvement program are available in the Annual Report of the Commissioner of Internal Revenue for 1949.

PERSONNEL

The number of employees on Bureau rolls at the close of the year was 52,266 as compared with 52,143 at the beginning of the year. Changes during the year in the personnel employed in the various branches of the Internal Revenue Service are shown in the following table:

Summary of personnel, Bureau of Internal Revenue, June 30, 1948, as compared with June 30, 1949

Branch of service	Number on pay roll as of—		Increase, or decrease (—)
	June 30, 1948	June 30, 1949	
Departmental service.....	4,662	4,554	—108
Field service:			
Offices of collectors of internal revenue.....	30,692	29,908	—784
Supervisors of accounts and collections.....	71	86	15
Internal revenue agents' forces:			
Income, profits, estate, and gift taxes.....	8,398	9,177	779
Miscellaneous and sales taxes.....	80	86	6
Alcohol Tax Unit:			
Offices of district supervisors.....	4,054	4,058	4
Field inspection force.....	14	15	1
Intelligence Unit.....	1,286	1,470	184
Technical Staff.....	528	607	79
Excess Profits Tax Council.....	84	149	65
Office of the Chief Counsel.....	370	409	39
Processing Division.....	1,904	1,747	—157
Total field service.....	47,481	47,712	231
Grand total.....	52,143	52,266	123

COST OF ADMINISTRATION

The entire cost of the Bureau's operations during the year, including salaries, equipment, travel, supplies, etc., but exclusive of amounts refunded to taxpayers, was \$209,205,715. The amount appropriated for this purpose was \$210,859,000; thus, there was an unexpended balance of \$1,653,285. The cost of collecting \$40,463,125,019 during the year was approximately 52 cents per \$100 of revenue, compared with 44 cents per \$100 in the previous year, when collections were larger and expenditures were lower.

Data on the annual cost of administration, although of interest and value for certain purposes, can not be relied upon either as a guide to the proper scale of administrative activity or as a measure of relative

efficiency of operation from year to year. An annual ratio of cost to collections is determined by many factors, most of which have no relationship to these objectives. To illustrate, one such factor is the nature of the tax system. The higher the level of tax rates and the more numerous the levies that are inherently economical to collect the lower will be the average cost ratio. Another factor is the prevailing level of salaries paid to Bureau personnel. A third factor is the volume of essential services performed for taxpayers, such as computation of tax liability, and the volume of investigative activity required with respect to refund claims, both of which have expanded markedly during recent years.

REFUNDS

Refunds of internal revenue taxes and the interest thereon, as required by law, are paid out of an appropriation separate from that covering the Bureau's administrative expenses. The total amount of these payments for the fiscal year 1949 was \$2,902,742,898, as compared with \$2,297,542,291 in the preceding year. The increase was due principally to excessive withholding during the first four months of the calendar year 1948 before the lower tax rates under the Revenue Act of 1948 became effective, and to the fact that payment of many individual income tax refunds scheduled during the latter part of the fiscal year 1948 was deferred until after July 1 because of the exhaustion of the 1948 appropriation for tax refunds. Interest payments on refunds increased from \$56,530,924 in 1948 to \$86,346,884 in 1949.

SETTLEMENT OF DISPUTES

In a large proportion of the tax disputes arising from the Bureau's investigative operations, settlements are reached through conferences with taxpayers, thereby avoiding expensive and time-consuming litigation. Of 61,175 income, profits, estate, and gift tax returns in which taxpayers had protested the examiners' findings, 53,954 were settled by the Bureau and 7,221 were appealed to the Tax Court. As a result of further hearings conducted by the Bureau in cases pending before the Tax Court, an additional 5,509 returns were settled by stipulation, thereby reducing substantially the number of cases to be tried.

OFFICE OF INTERNATIONAL FINANCE

The Office of International Finance, under the general direction of an Assistant Secretary, advises and assists the Secretary of the Treasury in the formulation and execution of policies and programs in international financial and monetary matters. The Director of the Office is assisted by advisers on financial policy and by a staff organized into divisions corresponding to geographic areas or to the functional activities of the Office. These divisions are: National Advisory Council Secretariat; Stabilization Fund, Gold and Silver Division; International Statistics Division; Commercial Policy and United Nations Division; European Division; British Commonwealth and Middle East Division; Latin American Division; and Far Eastern Division. The Office also maintains Treasury representatives in several foreign countries.

By direction of the Secretary, the Office of International Finance is responsible for the Treasury's activities in matters of international financial and monetary policy and programs, including international monetary and exchange problems and gold and silver policy; the Bretton Woods Agreements Act and the operations of the International Monetary Fund and the International Bank for Reconstruction and Development; foreign lending and assistance programs; the activities of the National Advisory Council on International Monetary and Financial Problems; the Anglo-American Financial Agreement; and the United States Exchange Stabilization Fund.

The Office makes continuing studies of the flow of capital funds into and out of the United States and of the international accounts of foreign countries with special attention to transactions in gold and dollars. In carrying out its functions, the Office also studies the legislation and policy of foreign countries relating to finance, gold and silver, exchange rates and exchange controls, and other relevant matters.

The Office also provides economic analyses of the customs activities of the Department and advises the Secretary on international financial aspects of matters arising in connection with his responsibilities under the Tariff Act. The Office acts for the Treasury on the financial aspects of international treaties, agreements, and organizations in which the United States participates. It also participates in negotiations with foreign governments with regard to matters included within its responsibilities.

The Office of International Finance represents the Treasury in the work of the National Advisory Council on International Monetary and Financial Problems (of which the Secretary of the Treasury is Chairman) and its subordinate organs. Professional personnel of the Office perform staff and secretariat functions of the Council. (See exhibits 13 and 14.)

The Office of International Finance advises Treasury officials and other departments and agencies of the Government concerning exchange rates and other financial problems encountered in operations involving foreign currencies. In particular, it advises the State Department and the National Military Establishment in financial matters related to their normal operations in foreign countries and the special financial problems arising from military operations and in areas occupied by United States forces. The Treasury representatives in foreign countries act as financial advisers to the diplomatic missions and to the missions of the Economic Cooperation Administration in those countries.

FOREIGN FUNDS CONTROL

The liquidation of Foreign Funds Control which commenced shortly after the end of hostilities was completed during 1948. Pursuant to Executive Order 9989 of August 20, 1948, jurisdiction over assets blocked in the United States as of October 1, 1948, was transferred to the Attorney General. This transfer of jurisdiction was instituted in accordance with a program announced in a letter of February 2, 1948, to the Chairman of the Foreign Relations Committee of the Senate from the Chairman of the National Advisory

Council (see Annual Report of the Secretary of the Treasury for the fiscal year 1948, p. 48, and exhibit 22, p. 289).

A further discussion of Foreign Funds Control activities during the fiscal year will be found on page 99.

LEGAL DIVISION

The General Counsel is by statute the chief law officer of the Treasury Department. He is directly responsible to the Secretary for the work of the Legal Division and performs other legal activities which the Secretary assigns or which are required by law. The Legal Division consists of the legal staff in the Office of the General Counsel and the legal staffs of the Bureau of the Comptroller of the Currency, Bureau of Customs, Bureau of Internal Revenue, Office of International Finance, Bureau of Narcotics, Bureau of the Public Debt, United States Coast Guard, and, terminating with the fiscal year 1949, the Bureau of Federal Supply. The Tax Legislative Counsel also is under the supervision of the General Counsel. From July 1, 1947, until June 30, 1949, the General Counsel was charged with the functions of the Secretary of the Treasury under the Contract Settlement Act of 1944.

The Office of the General Counsel advises the branches of the Department not having legal staffs, including the immediate Office of the Secretary, Bureau of Accounts, Office of Administrative Services, Bureau of Engraving and Printing, Bureau of the Mint, Committee on Practice, Office of the Treasurer of the United States, United States Savings Bonds Division, and United States Secret Service.

The Office of the General Counsel coordinates the legislative work in the Department and does the related legal work. This includes appearances before congressional committees, the drafting of legislation, and the preparation of reports to committees of the Congress and to the Bureau of the Budget. Similar work is done in connection with Executive orders and proclamations and departmental rules and regulations.

Special fields in which the Office operates include gold and silver transactions and administration of the stabilization fund; Treasury participation in the activities of the National Advisory Council on International Monetary and Financial Problems, which coordinates the foreign financial and lending operations of the United States Government, including the policies and operations of the United States representatives on the International Monetary Fund and the International Bank for Reconstruction and Development; payments of Mexican claims and payments to holders of awards of the Mixed Claims Commission; compromise settlement of general claims of the United States; and the handling of railroad securities held by the Secretary under the Transportation Act of 1920.

The Office also coordinates the Department's activities and handles the legal work in respect to a variety of other problems affecting the Treasury such as the necessary pretrial work in litigation involving Treasury activities, the settlement of claims under the Federal Tort Claims Act and other laws, the claims of Treasury employees for losses sustained in connection with assignments abroad, disclosure of official information, the patent rights of Treasury employees, the

employee loyalty program under Executive Order 9835, and the licensing and disbarment of practitioners before the Department.

In addition to responsibilities in connection with tax legislation, the General Counsel, through the Tax Legislative Counsel, aids in the negotiation of treaties involving taxation; advises the United States delegate to the United Nations Fiscal Commission regarding international tax problems; studies proposals for amending the tax laws; reviews all proposed closing agreements with taxpayers; participates in the periodic revision of forms necessary to the administration of the revenue laws; and reviews proposed Treasury decisions amending regulations on internal revenue taxation.

The activities of the Legal Division include consideration of the legal problems relating to broad financial, economic, and social programs, and international cooperation in the monetary and financial fields. The Division's activities also embrace all legal matters arising in connection with the duties and functions of the various bureaus, divisions, and branches of the Department. A more complete description of the scope of these activities is to be found in the administrative reports of the various bureaus and divisions of the Department contained elsewhere in this report.

During the fiscal year 1949, the Legal Division handled a number of special problems, which are summarized in the paragraphs which follow. These included legal matters arising in connection with the National Security Resources Board and the Foreign Trade Zones Board, of which Boards the Secretary is a member; advice on problems arising under the antidumping and countervailing duty laws; and the legal aspects of stockpiling of strategic materials pursuant to the act approved July 23, 1946 (60 Stat. 596).

In the fields of international finance and aid, the Legal Division dealt with legal problems arising in connection with the financial, fiscal, foreign exchange, and stockpiling aspects of the European Recovery Program; assisted in formulating the financial and economic aspects of the programs and legislation relating to military assistance and technical assistance to foreign countries; participated in drafting and negotiating a supplemental stabilization agreement with Mexico; participated in the meetings of the Contracting Parties to the General Agreement on Tariffs and Trades; and drafted legislative proposals to accept membership in the International Trade Organization and to carry out the obligations so assumed.

Technical assistance was given to congressional committees in connection with the drafting of legislation to implement the President's taxation and social security programs. The Legal Division studied proposals for the modification of excise tax laws and studied other miscellaneous revenue bills; and participated in preparing and issuing regulations under the Revenue Act of 1948 pertaining to "income splitting" and "marital deductions." Advice was given in the tax aspects of the President's program for extension of aid to undeveloped areas (Point IV of the President's program); and assistance was given in the negotiation of tax conventions with the Governments of Norway, Ireland, Greece, Italy, and Belgium.

Other matters handled were the study and preparation of recommendations relating to the financing of the proposed housing legislation; the settlement of terminated war contracts and claims arising

therefrom; claims under section 17 of the Contract Settlement Act of 1944 (defective, informal, and quasi contracts); the termination of renegotiation rebates; and the liquidation of the residual affairs of various war agencies. Aid was given in drafting legislation to bring about the transfer of the Bureau of Federal Supply from the Treasury Department to the new General Services Administration as accomplished by the act approved June 30, 1949 (Public Law 152, 81st Cong.).

BUREAU OF THE MINT

The principal functions of the Bureau of the Mint consist of the manufacture of domestic and foreign coins; the acquisition of gold and silver, payments for which are made on the basis of mint assays; the safeguarding of the Government's holdings of the monetary metals, including coins in processing stages until finished and issued; the refining of gold and silver; the administration of regulations pertaining to gold and silver, including the issuance of licenses for the acquisition, ownership, possession, use, and exportation of gold for industrial, professional, and artistic purposes; and the production of medals and other decorations.

The Office of the Director of the Mint in Washington administers all activities of the Bureau of the Mint. During the fiscal year 1949 seven field institutions were in operation: Coinage mints in Philadelphia, San Francisco, and Denver; assay offices in New York City and Seattle; gold bullion depository in Fort Knox, Ky.; and silver bullion depository in West Point, N. Y., which is an adjunct of the New York Assay Office. Electrolytic refineries are maintained at the San Francisco, Denver, and New York City institutions. The Medal Department is located at the Philadelphia Mint. At the close of the fiscal year 1949 the number of employees of the departmental and field institutions totaled 1,272 compared with 1,283 at the beginning of the year.

The operations of the field institutions during the fiscal year 1949 and the report of this Bureau on the production and consumption of gold and silver in the United States during the calendar year 1948 are summarized herein. Further detailed information is contained in the *Annual Report of the Director of the Mint, Fiscal Year Ended June 30, 1949*.

OPERATIONS OF THE MINTS, ASSAY OFFICES, AND BULLION DEPOSITORIES

Domestic coinage.—Production of United States coins during the fiscal year 1949 totaled 911,257,226 pieces, classified as follows:

Denomination	Number of pieces produced	Face value
Half dollars ¹	6, 782, 826	\$3, 391, 413
Quarter dollars.....	70, 402, 400	17, 600, 600
Dimes.....	179, 925, 000	17, 992, 500
5-cent pieces.....	156, 347, 000	7, 817, 350
1-cent pieces.....	497, 800, 000	4, 978, 000
Total.....	911, 257, 226	51, 779, 863

¹ Includes 36,012 Booker T. Washington commemorative half dollars.

Foreign coinage.—Coins produced for other governments during the fiscal year were as follows:

Government	Number of pieces produced	Government	Number of pieces produced
China.....	12,360,000	Saudi Arabia.....	10,000,000
Cuba.....	35,000,000	Venezuela.....	14,760,000
Dominican Republic.....	3,000,000	Total.....	76,370,000
Mexico.....	1,250,000		

Issue of domestic coins.—Over 1 billion United States coins were issued by the mints during the fiscal year, classified as follows:

Denomination	Number of pieces issued	Face value
Silver dollars.....	8,187,885	\$8,187,885.00
Half dollars.....	11,453,867	5,726,933.50
Quarter dollars.....	54,003,979	13,500,994.75
Dimes.....	143,813,129	14,381,312.90
5-cent pieces.....	149,064,640	7,453,232.00
1-cent pieces.....	637,434,218	6,374,342.18
Total.....	1,003,957,718	55,624,700.33

Stock of coins.—The estimated stock of coins in the United States as of June 30, 1949, totaled \$1,854,268,762, comprising \$492,857,480 in standard silver dollars, \$989,455,582 in subsidiary coins, and \$371,955,700 in minor coins.

Medals.—The number of service medals and other distinguishing devices delivered to the National Military Establishment, Maritime Commission, and other Government departments totaled 430,297 pieces, and other medals sold to the public totaled 15,815 during the fiscal year.

Bullion deposit transactions.—Bullion deposit transactions at the mints and assay offices during the fiscal year 1949 totaled 12,618, including 31 intermint transfers. These transactions required 25,841 assay determinations, including 1,241 determinations for the intermint transfers.

Acquisitions of gold.—Deposits and purchases of gold during the fiscal year are summarized as follows:

Gold	Value
Purchases at \$20.67+ per fine ounce.....	\$11,328
Increment to \$35 per fine ounce.....	7,852
Purchases at \$35 per fine ounce.....	1,395,656,078
Domestic coin transferred (melted).....	179,620
Intermint transfers.....	11,239,024
Total value at \$35 per ounce.....	1,407,093,902

Acquisitions of silver.—During the fiscal year deposits and purchases of silver total 147,772,022 fine ounces, classified as follows:

Silver	Number of fine ounces
Newly mined domestic silver.....	36,329,086
Silver contained in gold deposits, etc.....	163,174
Silver received in exchange for Government-stamped bars.....	189,164
Recoinage bullion from uncurrent subsidiary coin.....	1,411,779
Recoinage bullion from uncurrent silver dollars.....	181,481
Intermint transfers of silver.....	121,081
Deposits of silver in trust by foreign governments.....	15,736,977
Redeposits ¹	93,639,280
Total.....	147,772,022

¹ Consists of Treasury stock previously held by certain agencies of the Federal Government.

Refinery production of gold and silver.—During the fiscal year the refineries produced 1,686,734 fine ounces of gold and 773,525 fine ounces of silver by the electrolytic process. In addition, approximately 27 tons of gold and silver were subject to fire process only.

Issue bars manufactured.—The mints and assay offices manufactured 90,724 issue bars containing 31,471,821 fine ounces of gold and 826 issue bars containing 115,023 fine ounces of silver during the fiscal year.

Stock of unrefined bullion.—At the close of the fiscal year the stock of unrefined bullion, in terms of the assayed fine gold and silver content, amounted to 1,542 tons.

Monetization of silver bullion.—Silver certificates in the amount of \$33,486,868 were issued by the Treasury during the fiscal year against 25,900,000 fine ounces of silver bullion valued at \$1.29+ per fine ounce, the statutory monetary value of silver. The difference between the cost and the monetary value of the silver was \$10,046,061, which constituted seigniorage.

Sales of gold and silver for industrial use.—Sales of gold bars to licensed purchasers for use in industry and the arts totaled \$44,010,561 during the fiscal year. Sales of silver at \$0.91 per fine ounce under the act of July 31, 1946, amounted to 1,071 fine ounces.

Stock of monetary bullion.—The United States stock of gold bullion in custody of mint institutions totaled \$24,466,165,743, and the stock of silver bullion amounted to 1,066,860,645 fine ounces on June 30, 1949. In addition, certain other agencies of the Federal Government held 634,694,180 fine ounces of Treasury silver.

PRODUCTION AND CONSUMPTION OF GOLD AND SILVER IN THE UNITED STATES

During the calendar year 1948 the production of gold and silver refined from ores mined in the several States and Alaska was as follows: Gold—2,025,480 fine ounces valued at \$70,891,800; and

silver—39,228,468 fine ounces. Distribution of production according to State of origin appears in the annual Mint report for the fiscal year 1949.

Gold issued for use in the industrial arts in the United States during the calendar year 1948 aggregated \$90,128,764, and the return from industrial use of secondary materials including old jewelry, plate, scrap, etc., amounted to \$45,142,764, giving a net consumption of gold amounting to \$44,986,000 during the year.

Silver issued for use in industry and the arts in the United States during the calendar year 1948 aggregated 129,186,173 fine ounces, and the return from industrial use of secondary materials including old silverware, scrap, etc., amounted to 23,897,173 fine ounces, giving a net consumption of silver amounting to 105,289,000 fine ounces during the year.

BUREAU OF NARCOTICS¹

The Bureau of Narcotics is charged with the investigation, detection, and prevention of violations of the Federal narcotic and marihuana laws and of the Opium Poppy Control Act of 1942, and related statutes. It issues permits for import of the crude narcotic drugs and for export and in-transit movements of narcotic drugs and preparations, and has authority to issue licenses, under certain conditions, for the production of opium poppies and manufacture of opium products therefrom. It cooperates with the Department of State in the discharge of the international obligations of the United States concerning the traffic in narcotic drugs and with the several States in the suppression of the abuse of narcotic drugs and marihuana in their respective jurisdictions.

During the fiscal year 1949 the Bureau of Narcotics directed its activities toward the suppression of the illicit traffic in narcotic drugs and marihuana and the control of the legitimate manufacture and distribution of narcotics through the customary channels of trade. The total quantity of narcotic drugs seized in the internal illicit traffic amounted to 1,726 ounces, in comparison with 844 ounces seized in 1948. Seizures of marihuana amounted to 707 pounds bulk, 6 pounds seeds, 25,591 cigarettes, and 59 growing plants, as compared with 964 pounds bulk, 13 pounds seeds, 14,140 cigarettes, and 800 growing plants in 1948.

The table following shows for the fiscal year 1949 the number of violations of the narcotic and marihuana laws by persons registered with collectors of internal revenue to engage in legitimate narcotic and marihuana activities and by persons who have not qualified by registration to engage in such activities, as reported by Federal narcotic enforcement officers.

¹ Further information concerning narcotic drugs is available in the separate annual report of the Commissioner of Narcotics.

Number of violations of the narcotic and marihuana laws reported during the fiscal year 1949, with their dispositions and the penalties

	Narcotic laws				Marihuana law ¹	
	Registered persons		Nonregistered persons		Nonregistered persons	
	Federal court	State court	Federal court	State court	Federal court	State court
Pending July 1, 1948.....	461		976		323	
Reported during 1949:						
Federal ²	329		2,165		736	
Joint ²	16		883		850	
Total to be disposed of.....	806		4,024		1,909	
Convicted:						
Federal.....	61	11	665	905	326	148
Joint.....	4		232	285	428	168
Acquitted:						
Federal.....	1		15	16	16	9
Joint.....			3	5	19	10
Dropped:						
Federal.....	232	2	361	81	136	50
Joint.....	3	1	76	73	88	30
Compromised: ³						
Federal.....	79					
Joint.....	3					
Total disposed of.....	387		2,717		1,428	
Pending June 30, 1949.....	419		1,307		481	
Sentences imposed:	<i>Yrs. Mos.</i>	<i>Yrs. Mos.</i>	<i>Yrs. Mos.</i>	<i>Yrs. Mos.</i>	<i>Yrs. Mos.</i>	<i>Yrs. Mos.</i>
Federal.....	99 8	7 1	1,300 11	703 7	519 2	111 2
Joint.....	7 6		465	263 7	515 11	113
Total.....	107 2	7 1	1,765 11	967 2	1,035 1	224 2
Fines imposed:						
Federal.....	\$9,560		\$23,995		\$5,272	
Joint.....			3,813		4,864	
Total.....	9,560		27,808		10,136	
			6,673		2,148	
					4,515	

¹ 1 case of violation by a registrant under the marihuana law, reported by a Federal officer during the year, resulted in conviction of the offender and a sentence of 6 months.

² Federal cases are made by Federal officers working independently while joint cases are made by Federal and State officers working in cooperation.

³ Represents 82 cases which were compromised in the sum of \$15,505.

The importation, manufacture, and distribution of opium and its derivatives, as heretofore, were subject to a system of quotas and allocations designed to secure their proper distribution for medical needs. Additional quantities of opium were imported during the year. Coca leaf imports were sufficient for medicinal purposes, and additional supplies were available for the manufacture of nonnarcotic flavoring extracts.

Exports of narcotic drugs decreased in comparison with 1948. Manufacture of opium derivatives continued high to meet export requirements and the increased medical use of codeine.

Thefts of narcotics materially increased over 1948, both in the number of thefts and quantities of drugs stolen.

There were approximately 400,000 registrations under the Federal narcotic and marihuana laws in the fiscal year.

COMMITTEE ON PRACTICE

The Committee on Practice receives and acts upon applications of attorneys and agents for admission to practice before the Treasury Department. It makes inquiries, holds hearings, and in general acts as the administrative and advisory agency in all matters pertaining to practice, makes recommendations to the Secretary of the Treasury, and performs other duties prescribed by Department Circular 230, revised May 27, 1947.

The Committee also receives and acts upon applications of individuals, corporations, associations, and partnerships for customhouse brokers' licenses, issues customhouse brokers' licenses, makes recommendations to the Secretary of the Treasury, and performs other duties as prescribed by Department Circular 559, revised May 1, 1947.

The following statement summarizes the work of the Committee for the fiscal year 1949:

	<i>Number</i>
Attorneys and agents:	
Applications for enrollment approved.....	4, 655
Applications for enrollment disapproved.....	21
Applications withdrawn on advice of Committee.....	78
Special enrollment to practice before the Bureau of Internal Revenue:	
Applications approved by reason of examination.....	10
Applications approved pursuant to standards and procedures based upon former service with the Treasury Department.....	36
Applications of former employees denied.....	15
Complaints disposed of pursuant to section 5-B of the Administrative Procedure Act:	
Resignations submitted in order to evade proceedings in disbarment and accepted by the Committee. Names ordered stricken from the roll.....	18
Resignations accepted with prejudice.....	1
Formal complaints against enrolled persons:	<u> </u>
Pending July 1, 1948.....	8
Filed during the year.....	1
Total.....	<u>9</u>
Dismissed.....	<u>7</u>
Pending June 30, 1949.....	2
Customhouse brokers:	
Applications for licenses approved.....	93
Applications withdrawn.....	6
Licenses canceled.....	31
Licenses revoked.....	5

Since the organization in 1921 of the Committee on Practice, 87,015 applications for enrollment have been approved and 839 disapproved; 256 practitioners have been disbarred from further practice before the Treasury Department, 140 have been suspended from practice for various periods, 184 have been reprimanded, and 37 resignations have been accepted.

TAX ADVISORY STAFF OF THE SECRETARY

The Tax Advisory Staff of the Secretary was established by Treasury Department Order No. 115, dated June 17, 1949, superseding the Division of Tax Research which was abolished. The duties, functions, and personnel of the former Division were transferred to the new Staff.

The Tax Advisory Staff of the Secretary assembles the facts and prepares the economic, statistical, and technical analyses needed (1) to aid the Secretary in the formulation of Treasury tax policy, and (2) to provide information on various tax matters, as requested, for the President, Members of Congress, various Government officials, and the public. The Staff provides, on behalf of the Secretary, material to aid the Ways and Means Committee of the House of Representatives, the Finance Committee of the Senate, and the Joint Committee on Internal Revenue Taxation in their consideration of tax proposals and legislation. In its work, the Staff consults with the Bureau of Internal Revenue on administrative matters and with the Tax Legislative Counsel on legal matters.

The Staff's functions include the preparation of basic surveys of the tax problems of the Federal Government, the devising of alternative methods of meeting revenue requirements, and the development of methods of adjusting the tax system to changing economic conditions. The tax system is analyzed with a view to obtaining revenue yields large enough to meet prospective revenue requirements and to making adjustments which will be fair to taxpayers and will avoid undesirable economic effects. Individual taxes are studied (1) to determine their effects on particular groups of taxpayers, (2) to avoid inequity among taxpayers within a given group, (3) to ascertain and develop methods of meeting administrative and compliance problems, and (4) to devise ways of integrating particular taxes with the tax system as a whole.

The interrelationships of Federal, State, and local taxes are studied with a view to possible improvements in intergovernmental fiscal relations. Specific State and local taxes are also examined to determine the combined effect of such taxes and Federal taxes and to assure the Federal Government of the benefit of State and local tax experience. Likewise, to gain the benefit of foreign experience and to compare policies, studies are made of foreign taxes.

The Staff is also charged with general responsibility respecting the assembling and publication of statistics pertaining to Federal taxation. Correspondence relating to matters of taxation not involving legal questions is handled by the Staff. The Staff also participates in conferences with taxpayers who call special problems to the attention of the Treasury Department.

During the fiscal year 1949 the Staff continued to work primarily on the problems of Federal tax revision. The Staff prepared factual material and analyzed various proposals for tax revision which were considered by the Congress. Studies of major tax items were carried on in the fields of business taxes, individual income taxes, and excise taxes.

The Staff prepared the documentation for use at the Secretary's conference with representatives of State and local governments on intergovernmental fiscal problems, held at the Treasury April 21 and 22, 1949. The Associate Director of the Staff acted as Executive Secretary of the conference and continues to serve as liaison officer between the Treasury and State and local representatives in carrying out the program adopted at the conference.

OFFICE OF THE TECHNICAL STAFF

The Office of the Technical Staff in the Office of the Secretary serves as a technical staff for the Secretary on matters relating to Treasury financing, public debt management, and various general economic problems arising in connection with Treasury activities.

For the use of the Secretary in making his financing decisions and in formulating debt management policies, a variety of analyses is prepared. The Office draws up alternative plans in detail for each financing operation, and analyzes the results of the operation in order to gauge its effectiveness and secure guidance for future planning. Estimates of the income and savings position of different classes of investors are prepared, together with information on the amounts of the outstanding public debt already held by these investors. The Office analyzes the relative desirability of cash pay-offs to and additional borrowing from each class, and the type of security best suited to the requirements of each class. The outlook for financing requirements during an appropriate period ahead is reviewed and various financing programs which would take care of these requirements are suggested. The Office recommends terms for the particular securities which might be offered, covering such characteristics as rate of interest, maturity, call period, negotiability, eligibility as collateral, redemption privileges accorded to holders, and restrictions as to the amount of purchases or holdings by different classes of investors. It analyzes the relation of these securities to the maturity schedule and interest costs of the public debt, the effect of their issuance upon the market prices and ownership distribution of outstanding Government securities, the impact of the Treasury's public debt operations on the credit structure and general economy of the country, and the long-range effects on the economy of present financing decisions.

In connection with its work in Treasury financing, the Office is charged with the duty of keeping the Secretary informed on the outlook for Federal receipts. In addition, the facilities of the Staff are utilized by the Secretary for the preparation of official estimates of Government receipts for incorporation in the President's Annual Budget Message and in intervening budget revisions. Similarly, estimates of the revenue effects of proposed and pending legislation are prepared.

Technical mathematical analyses needed in connection with financing and public debt problems are also prepared. This work is under the supervision of the Government Actuary, who is an Assistant Director of the Office of the Technical Staff. He is responsible for reports on actuarial matters involved in Treasury operations, and prepares actuarial estimates required by statute with respect to the operations of several Government trust funds. The Secretary of the Treasury is charged with the duty of handling the investments and other operations for most of these funds.

UNITED STATES COAST GUARD

The operations of the Coast Guard during the fiscal year ended June 30, 1949, embraced in general terms maritime law enforcement; saving life and property; providing navigational aids to maritime commerce and to transoceanic air commerce; promoting the efficiency

and safety of the American merchant marine; and military readiness. In the law approved August 4, 1949 (Public Law 207, 81st Cong.), which revised, codified, and enacted into law title 14 of the United States Code, there was set forth for the first time a clear, concise statutory statement of the duties and functions of the Coast Guard.

Throughout the year both matériel and personnel resources were increased. Most of the expansion was in the assumption of operation of additional ocean weather stations in the Atlantic Ocean to meet the international obligations of the United States, and the increase in personnel was largely diverted to this activity. Expansion in the search and rescue organization as well as in the field of electronic navigational aids to maritime and transoceanic air commerce has not yet reached a point considered the essential minimum.

Since the termination of World War II hostilities, the Service has deferred, as a matter of economy, desirable maintenance needs and improvements at many shore establishments. The need for housing facilities for the families of Service personnel has become pressing, particularly because of the remote and isolated location of many units. Most of the Service aircraft are fast reaching the point of obsolescence because of age and constant use, and their replacement by new planes has become urgent. Likewise, many patrol boats which have been in continuous service since 1926, and others of wartime wooden construction, will have to be replaced in order to provide efficient and economical vessel facilities for the proper conduct of harbor and coastal patrol activities.

One of the largest losses of life—13 enlisted men—suffered by the Coast Guard in peacetime resulted from the collision in a fog of a merchant tanker with the cutter *Eastwind* off the New Jersey coast on January 19, 1949.

Plans have been made to reestablish the Seventeenth Coast Guard District on July 1, 1949, with temporary offices in Seattle, Wash., and for the location of permanent headquarters in Juneau, Alaska, about September 1, 1949. This district embraces all of the Territory of Alaska and adjacent waters, and its reestablishment increased the number of administrative districts from 11 to 12.

A survey for recommending to the President specific lifeboat stations, light stations, and lightships which could be disestablished in the interest of economy without increasing maritime hazards was commenced in February 1949 by a special panel of Coast Guard officers.

ASSISTANCE OPERATIONS

In carrying out responsibilities with respect to search and rescue—the saving of life and property—the Service maintains an established organization of inshore and offshore rescue surface vessels, aircraft, lifeboat stations and radio stations, together with rescue coordination centers in each Coast Guard district. Assistance rendered by stations, vessels, and aircraft during the year is reflected in the following statistics:

Number of instances of major assistance.....	5, 016
Value of vessels assisted.....	\$184, 452, 494
Value of cargoes of vessels assisted.....	\$15, 134, 401
Lives saved or persons rescued from peril.....	5, 423
Number of instances of minor assistance.....	4, 578

The term "major assistance" signifies the rescue of persons from water or from drifting ice, the removal of persons from endangered vessels, the towing to safety of vessels on which personnel are endangered, and, during floods, the removal of persons to safety when danger of drowning threatens. When Coast Guard aircraft are employed, "major assistance" generally involves open-sea landings and take-offs under abnormally hazardous conditions.

A new program of search and rescue and survival techniques was begun on both the East and West Coasts, and indoctrination training therein was afforded to air-line personnel of the various overseas companies.

In collaboration with other governmental agencies, the Red Cross, and local authorities, the Coast Guard rendered extensive assistance in evacuating citizens and salvaging property during the floods which occurred in the valleys of the Mississippi, Ohio, and Columbia Rivers. An extensive revision of the Coast Guard Plan for Flood Relief Operations in the Ohio-Mississippi River Valley was promulgated.

Ice-breaking activities for expediting and permitting the movement of marine commerce were centered largely in the Great Lakes region at the beginning and close of the navigation season, where five cutters, together with a helicopter attached to the *MacKinaw*, were so engaged.

INTERNATIONAL ICE PATROL

The International Ice Patrol for the season of 1948, which was in progress at the beginning of the fiscal year, was discontinued on July 2, 1948. Postseason activities in July and August 1948 included the detail of the cutter *Evergreen* for an oceanographic survey in Davis Strait and Baffin Bay and the assignment of two aircraft and the cutter *Ingham* for a census of icebergs in Baffin Bay and Melville Sound.

Aerial ice observation flights by long-range aircraft operating from Argentina, Newfoundland, were inaugurated on February 27, 1949, and continued until June 15, 1949, when it was determined no seasonal menace existed on the United States-Europe trans-Atlantic routes. An ice patrol by vessels was neither required nor established during the 1949 season, and it was the first time that aircraft alone conducted the ice observation service. The oceanographic vessel *Evergreen* conducted a program of scientific observations, and plans were made for a 1949 postseason oceanographic cruise and census of icebergs in Baffin Bay and Melville Sound.

OCEAN STATIONS

During the year the number of ocean stations maintained was increased from 3 to 9½ in operation on June 30, 1949, 2 in the North Pacific and 7½ in the North Atlantic (the "½" applicable to one station maintained jointly by the United States and Canada). These stations, operated and maintained for the purpose of providing search and rescue, communication, and air navigation facilities, and meteorological services in such ocean areas as are regularly traversed by aircraft of the United States, made 47,803 weather reports, had 15,361 airplane radio contacts, and rendered assistance in 27 cases. Seventeen additional vessels were readied for this duty during the year.

AIDS TO NAVIGATION

On June 30, 1949, 37,309 aids to navigation were maintained in the navigable waters of the United States, its Territories, and its possessions, and at overseas military bases. These aids consisted of many different devices, ranging from simple unlighted wooden spar buoys to light stations, lightships, and complex Loran (electronic long-range aids to navigation) networks. During the year, 2,600 new aids were established and 1,575 aids were discontinued, resulting in an increase of 1,025 compared with the number maintained on June 30, 1948. This increase was due principally to the establishment of aids to navigation required for the marking of completed rivers and harbors improvements.

In addition to Loran stations in the United States, others are located in widely separated and isolated localities (Greenland, Labrador, Newfoundland, Alaska, the Philippines, and the islands of the Pacific) providing navigators traversing the military and civil air and sea routes of the North Atlantic and Pacific Oceans with means for accurate and quick determination of their positions at all times regardless of weather conditions. Coast Guard cutters and aircraft have been utilized in providing frequent logistic service to these isolated and distant stations.

Extensive oil drilling operations in the offshore waters of the Gulf of Mexico presented a problem with respect to the appropriate marking of complicated marine structures with satisfactory aids, the delineation of vessel routes through the field of operations of these structures, and the appropriate marking of such routes with aids to navigation for the safety of marine navigation. A standard uniform system of markings of the structures by and at the expense of the owners has been determined and is now in force. Delineation of safe routes is being studied by the Corps of Engineers, Department of the Army; and the Coast Guard, upon designation of the routes by the Corps of Engineers, is prepared to undertake their marking with appropriate aids to navigation.

LAW ENFORCEMENT

The Coast Guard, vested with broad authority for enforcement of the Federal laws upon the high seas and waters over which the United States has jurisdiction, enforced those laws and regulations, such as the navigation and vessel inspection laws, with which it is specifically charged, and assisted in the enforcement, as necessary, of the Oil Pollution Act; anchorage regulations; and the laws relating to internal revenue, customs, immigration and quarantine, and conservation and protection of fisheries and wildlife within the jurisdiction of other Federal agencies but requiring marine or aviation personnel for effective enforcement. Oil pollution violations, for which 80 reports were made during the year, were a cause of concern. Improvement in conditions has been accomplished by cooperation on the part of the maritime industry and by greater patrol activity. Cooperation has been extended to all Federal, State, and municipal law enforcement agencies.

During the year 13,693 motorboats and yachts were boarded and examined to insure compliance with the laws and regulations designed

to promote safety, and 3,030 cases of violations of the navigation and vessel inspection laws were acted upon.

BERING SEA PATROL

The Bering Sea Patrol was continued this year. The purpose is the protection of life and property; protection of the seal herds and other wild life; law enforcement and transportation of a floating court in the administration of justice; and the furnishing of medical and dental assistance to natives and others in remote localities in the areas contiguous to the Bering Sea and Arctic Ocean. The major part of this patrol was accomplished by the cutter *Northwind*.

MARINE INSPECTION AND SAFETY MEASURES

Among the duties which the Coast Guard performed in promoting safety in the merchant marine and on navigable waters were approval of plans for the construction, repair, and alteration of vessels; approval of materials, equipment, and appliances; issuance of certificates of inspection, and of permits indicating approval of vessels for operations which may be hazardous to life or property; administration of load-line requirements; licensing and certificating of officers, pilots, and seamen; investigation of marine casualties; enforcement of manning requirements, citizenship requirements, and requirements for the mustering and drilling of crews; control of logbooks; shipment, discharge, protection, and welfare of merchant seamen; promulgation and enforcement of rules for lights, signals, speed, steering, sailing, passing, anchorage, movement, and towlines of vessels, and of regulations governing the transportation of explosives and other dangerous cargoes aboard vessels; numbering of undocumented vessels; prescription and enforcement of regulations for outfitting and operation of motorboats; licensing of motorboat operators; and the regulation of regattas and marine parades.

A digest of certain phases of the marine inspection activities follows:

	<i>Number of vessels</i>	<i>Gross tonnage of vessels</i>
Annual inspections completed ¹	6, 630	18, 934, 559
Drydock examinations.....	5, 590	24, 055, 179
Reinspections.....	2, 880	11, 460, 201
Special surveys (passenger vessels).....	148	-----
Special examinations by traveling inspectors on passenger vessels and ferries.....	136	-----
Miscellaneous inspections.....	27, 825	-----
Undocumented vessels numbered under provisions of act of June 7, 1918, as amended (increase of 12,071 over previous fiscal year).....	446, 108	-----

¹ Includes 394 vessels, totaling 734,771 gross tons, which were conversions or new construction completed during year.

There were 2,975 marine casualties reported of which 2,405 were investigated, 16 of these by formal Marine Casualty Investigation Boards. Only one passenger lost her life as a result of casualties on inspected and certificated vessels during the year.

Under the provisions of law (46 U. S. C. 369) requiring approval by the Commandant of the Coast Guard of all contract plans and

specifications for building or altering passenger vessels of the United States of one hundred gross tons and over, 14,196 vessel plans, together with accompanying specifications, were reviewed and processed. To assist in expediting the construction of 6 large passenger liners placed under contract during the year, special arrangements were put into effect by the Coast Guard for prompt action upon items requiring Coast Guard approval. Two of the six liners will be used in Mediterranean service, three for round-the-world service, and one superliner for the North Atlantic route.

Completed during the fiscal year was the first major revision of the Rules for Tank Vessels which has been undertaken since these rules were first placed in effect in 1936. The changes were developed and studied in cooperation with a committee representing the American Petroleum Institute and were adopted after a public hearing in June 1949.

In view of the 1948 International Convention on Safety of Life at Sea, which will probably become effective on January 1, 1951, plans are under way for the changes necessary to implement the requirements of this Convention.

MERCHANT MARINE PERSONNEL

The licensing and certificating of merchant marine personnel required the issuance of 101,830 documents. Of this number 24,692 were issued to men who had not previously served in the merchant marine, and 1,504 licenses were issued to radio officers pursuant to the act of May 12, 1948 (Public Law 525, 80th Cong.). In the process of regulating the orderly conversion of the merchant marine from wartime to peacetime operations, 2,535 waivers of manning requirements were issued and 1,756 shortage reports were received. Shipping commissioners supervised the execution of 16,117 sets of shipment and discharge shipping articles.

Merchant Marine Investigating Units in major domestic ports and Merchant Marine Details in certain foreign ports continued to operate in the administration of discipline in the merchant marine as required by Revised Statute 4450, as amended (46 U. S. C. 239). Merchant Marine Details in London, Bremerhaven, Naples, Trieste, and Piraeus operated throughout the year. During the year, 6,931 investigations were made of cases involving negligence, incompetence, and misconduct. These investigations resulted in the preferment of charges in 844 cases. Hearings were held on 804 cases by civilian examiners appointed in compliance with the provisions of the Administrative Procedure Act. A program for the selection, appointment, and indoctrination of civilian examiners was undertaken at the beginning of the year and the first hearing under the new system was held in November 1948. A total of 16 examiners were appointed.

PERSONNEL

On June 30, 1949, the military personnel strength of the Coast Guard on active duty consisted of 1,984 commissioned officers (1,696 Regular, 236 temporary service, 52 Reserve), 284 chief warrant officers (214 Regular, 66 temporary, 4 Reserve), 502 warrant officers (140 Regular, 362 temporary), 294 cadets, and 20,484 enlisted men.

The authorized force of civilian employees at Coast Guard Headquarters on June 30, 1949, was 740. In the field service there were 1,335 salaried personnel, 2,607 wage board employees, and 700 lamplighters.

On June 3, 1949, 54 cadets graduated, after satisfactorily completing the 4-year course at the Coast Guard Academy, and were commissioned as ensigns. In the 1949 Nation-wide competitive examination for appointment as cadets, 572 candidates from among 939 actual participants received passing grades, from which number it is expected that 180 will be appointed as the class of 1953. The 1949 summer practice cruise for practical sea training was made aboard the cutters *Campbell* and *Eagle*, and included visits to European and African ports.

An officer procurement program was inaugurated during the fiscal year; and regular officers for the Coast Guard are being obtained from the inactive Coast Guard Reserve, by the selection of chief warrant and warrant officers or enlisted men in the Coast Guard who formerly held temporary commissions, and from among qualified merchant marine officers.

A comprehensive program of post graduate, specialized, and advanced training was afforded to selected officers for increasing their value to the Service and for the most efficient conduct of the many highly specialized and technical phases of Service operations and administration.

To meet the increasing need for qualified men in various ratings, the courses at the Training Station, Groton, Conn., were augmented during the year, with an average of 711 men in training per month. Training in special courses was also afforded by Navy schools, and the correspondence courses of the Coast Guard Institute and the United States Armed Forces Institute were utilized to an increasing extent.

Of the 21,590 men who applied for enlistment in the Coast Guard, 7,154 were enlisted, 5,354 were rejected for physical reasons, 7,425 were rejected for other reasons, and 1,657 were accepted but failed to enlist. There were 4,207 recruits received during the year at the Cape May, N. J., Receiving Center, and beginning in November 1948 the recruit training period was increased from 6 to 8 weeks.

On June 30, 1949, 19 medical officers, 29 dental officers, 8 nurse officers, and 1 scientist officer of the Public Health Service were detailed to the Coast Guard. Six of the medical officer assignments were aboard ocean station vessels. Contracts were let for three new mobile dental units to provide more adequate dental service to isolated stations.

COAST GUARD RESERVE

Estimates of appropriation were submitted by the President for the consideration of the Congress to initiate a training program for Reserve personnel, to enable the Coast Guard, while operating as a part of the Navy in time of war or national emergency, to perform those duties which have been delegated to the Service. While no appropriation had been made by June 30, 1949, Reserve directors were assigned to all district offices with instructions to set up Reserve records for their districts, establish contact with all Reserve personnel residing therein, and establish volunteer training units where personnel

and facilities permit. Also where circumstances did not permit of such units, arrangements were made for members of the Reserve to take part in Naval Reserve activities, as well as for the opportunity of taking Naval Reserve correspondence courses. Such training duty, although without pay as of July 1, 1949, is necessary in order that Reserve officers can fulfill certain requirements and earn credits under the provisions of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 which is applicable to the Coast Guard Reserve.

On June 30, 1949, the Reserve numbered 4,098 commissioned and warrant officers and 252 enlisted men.

COAST GUARD AUXILIARY

The Coast Guard Auxiliary—a nonmilitary organization, was established to assist the Coast Guard in promoting safety and in effecting rescues on and over the high seas and on navigable waters; in promoting efficiency in the operation of motorboats and yachts; in fostering a wider knowledge of, and better compliance with, the laws, rules, and regulations governing the operation of motorboats and yachts; and in facilitating other operations of the Coast Guard—had a membership of 13,276 on June 30, 1949, with an affiliated ownership of 5,987 boats, 224 planes, and 185 radio stations. In addition to the requirements that members maintain a high standard of efficiency in engineering, safety, navigation, and operating practices, the members gave courtesy motorboat inspections and small-boat seamanship training to nonmembers, provided safety patrols for regattas and marine parades, and carried on a vigorous program of safety education and self-help under the general auspices and guidance of the Coast Guard.

FACILITIES AND EQUIPMENT

Aviation.—During the fiscal year the Coast Guard operated 79 aircraft from nine air stations, three air facilities, and five air detachments. In addition to bases in the United States, aircraft were operated from Argentia, Newfoundland; Honolulu, T. H.; Guam; Sangley Point, Philippine Islands; and two bases in Alaska. While primarily engaged in operations connected with the saving of life and property, aircraft provided the aerial means necessary in the conduct of the other functions of the service. Assistance in law enforcement was provided to the Alcohol Tax Unit and other Federal agencies through aerial observations, as well as to the United States Coast and Geodetic Survey in extensive aerial photography in the United States and Alaska.

A Rotary Wing Development Unit was established at Elizabeth City, N. C., for evaluating various types of helicopters for service use as well as developing certain techniques and equipment to enhance the helicopter usefulness as a life-saving vehicle. An Aircraft Repair and Supply Base at Elizabeth City afforded major repairs and modifications of aircraft and aeronautical equipment.

Communications.—In addition to radio stations, an extensive coastal Coast Guard-owned telephone and submarine cable system was maintained, supplementing commercial facilities as necessary, for pro-

viding communication service to Coast Guard units, many in isolated localities.

Floating units.—On June 30, 1949, the floating units in active commission consisted of 180 cutters of various types, 48 patrol boats, 37 lightships, 39 harbor tugs, and 10 buoy boats.

In addition to the larger floating units, there were 178 motor lifeboats, 1,381 motorboats, and 2,329 nonpowered craft in operation aboard ships and at shore installations.

Shore establishments.—Authorized shore units as of June 30, 1949, included 9 air stations, 12 bases, 41 depots, 171 lifeboat stations, 440 manned light stations, 79 light-attendant stations, 32 Loran transmitting stations, 49 marine inspection offices, 11 primary radio stations, and 2 supply depots.

The Coast Guard Yard, Curtis Bay, Md., was the service's largest industrial plant, affording major repair and maintenance facilities for the larger vessels and developing and constructing small boats of all types.

Surplus vessels and property.—During the year surplus vessels with an acquisition value of \$4,802,496 and other surplus property with an acquisition value of \$5,364,961 were disposed of.

CONSTRUCTION AND DEVELOPMENT

In addition to the normal maintenance and repair of vessels, aircraft, and shore installations; construction was begun on two new lightships to replace over-age vessels, and five steam-powered light ships were converted to Diesel propulsion and modernized. Fifteen small seaplane tenders, obtained on a loan basis from the Navy, were converted for ocean station duty.

Construction was started on Scotch Cap Light Station, Aleutian Islands, to replace the lighthouse destroyed by a tidal wave in April 1946. Two Aleutian Loran stations were completed, and construction of a third station started, the three replacing five temporary stations. The Aleutians, Hawaiian, Marshalls, and the East Coast Loran chains (Loran navigation stations) were reengineered and are being relocated for better Loran service and personnel accommodations. An unattended remote-controlled lighthouse, located on the breakwater at Long Beach Harbor, Calif., was completed and placed in commission. This aid to navigation provides a 140,000 candlepower light, a fog signal, and a radio beacon signal.

A continuous program of research and development was carried on in effecting improvements in buoy design, in life-saving and shipboard equipment and installations, and of radio equipment on mobile communication trucks; in modernizing and standardizing electronic devices on ocean weather station vessels; in producing new-type small boats for meeting special and unusual needs of the service; and in otherwise improving the mechanical and electronic equipment of the service. The results of tests of three shore radar installations at coastal lookout points, for increasing the efficiency of lookouts by providing means of locating vessels and aircraft at night and in poor weather and for providing contact data for coordinating rescue action, form the basis for an expanded program for installations of this type throughout the service.

The Ship Structure Committee, which represents the joint efforts of the Army, Navy, Coast Guard, Maritime Commission, and American Bureau of Shipping to obtain stronger and safer welded ships, has made considerable progress during the year in achieving its objective, with the assistance and cooperation of the National Academy of Sciences, the National Bureau of Standards, the American Iron and Steel Institute, the Welding Research Council, and the British Admiralty Ship Welding Committee.

FUNDS AVAILABLE, OBLIGATIONS, AND BALANCES

During the fiscal year 1949 the sum of \$451,500 was expended under the provisions of the Mustering Out Payment Act of 1944. In settlement of unused leave under the Armed Forces Leave Act of 1946, \$122,079 was paid to 745 claimants.

The following table shows the amounts available for the Coast Guard during 1949, and the amount of obligations and unobligated balances:

	Funds available	Net total obligations	Unobligated balances
Current operating appropriation:			
Salaries, office of Commandant.....	\$2,300,784	\$2,285,663	\$15,121
Pay and allowances.....	71,255,154	70,089,834	1,165,320
Civilian employees (field).....	4,218,992	4,167,326	51,666
General expenses.....	39,845,070	39,213,303	601,767
Subtotal.....	117,620,000	115,786,126	1,833,874
Retired pay.....	12,000,000	11,950,061	49,939
Acquisition, construction, and improvements:			
Total appropriations, 1949.....	11,438,755	9,364,357	2,074,398
Prior year unobligated balances:			
Acquisition of vessels and shore facilities, Coast Guard.....	4,062,777	408,957	3,653,820
Establishing and improving aids to navigation, Coast Guard.....	779,702	268,517	511,185
Special projects, aids to navigation, Coast Guard.....	164,510	112,299	52,211
Subtotal.....	16,445,744	10,154,130	6,291,614
Total appropriated funds.....	146,065,744	137,890,317	8,175,427
Miscellaneous funds:			
Payments, Armed Forces Leave Act of 1946 (allotment to Treasury, Coast Guard).....	203,374	122,079	81,295
Proceeds of sales of Coast Guard sites, Treasury Department.....	140,698	123,469	17,229
Coast Guard Academy, donations for chapel, Treasury Department.....	223,445		223,445
Total miscellaneous funds.....	567,517	245,548	321,969
Working funds established by advances from other Government agencies:			
National Military Establishment:			
Department of the Navy.....	684,169	464,633	219,536
Department of the Army.....	30,266	30,266	
Federal Security Agency.....	361,000	361,000	
Department of State.....	146,612	146,612	
Department of Commerce.....	10,000		10,000
Veterans' Administration.....	5,000	3,596	1,404
Total working funds.....	1,237,047	1,006,107	230,940
Grand total.....	147,870,308	139,141,972	8,728,336

UNITED STATES SAVINGS BONDS DIVISION

The United States Savings Bonds Division of the Treasury Department is vested with the duty of promoting and effecting the sale of United States savings bonds.

The Opportunity Drive, running from May 16 through June 30, 1949, was the Division's only major campaign effort during the year. Thirty covered wagons, which were used as symbols of the drive, visited 700 cities to create awareness of the campaign, and were viewed by tens of millions of people. Every form of promotional media was employed, and its effectiveness was attested by the more than 50,000 different newspaper clippings which were forwarded to the national office. All this contributed greatly to the success of the drive, which resulted in sales of \$1,216 million in Series E bonds during the accounting period. The goal was the sale of \$1,040 million in Series E bonds alone.

In the fall of 1948 an intensified effort was exerted to increase participation in the payroll savings plan, which provides for regular investments in savings bonds by salary and wage earners. This endeavor contributed materially to the extension of the plan during the year to 2,300 companies with 100 employees or more. Of the nearly 800,000 persons employed by these companies, 250,000 were enlisted in this systematic savings movement.

The Interdepartmental Savings Bonds Committee, allied with the Federal Payroll Savings Section to promote savings bond sales to Federal employees, gained 214,563 participants in 1949, bringing the grand total to 1,021,509.

The Savings Bonds Division is headed by a National Director, serving without compensation, who is also an Assistant to the Secretary of the Treasury. His chief aide is a National Director of Sales under whom function the following eight divisions: Publicity and Promotion, Payroll Savings, Banking and Investments, Education, Labor Organizations, Community Activities, Agriculture, and Advertising. Each of these functions under its own director. The administrative structure is headed by the Executive Officer, while the field organization is supervised by a small staff of Field Sales Coordinators.

Sales activities of the Division are carried out by a Nation-wide organization of volunteers, spearheaded by more than twenty national committees and bulwarked by advisory committees in every State, all serving without compensation and operating through county and local committees.

The cost of promoting the savings bonds program is held to a minimum because of contributions of advertising by radio, newspapers, television, and all other media, as well as by many national and local advertisers. Advertising and promotion material is prepared and donated by the advertising agencies of The Advertising Council, Inc., for distribution to media and advertisers.

Gross sales of savings bonds of all series during the fiscal year 1949 amounted to \$7,141 million. Details of these sales, as well as redemptions and amounts outstanding, will be found on pages 78 and 79 and 468 to 478.

UNITED STATES SECRET SERVICE

The principal functions of the Secret Service are the protection of the President of the United States and members of his family, of the President-elect, of the Treasury Building and other buildings housing Treasury Department activities, and the protection of the currency and other obligations and securities of the United States in production, storage, and transit. The Secret Service is also charged with the suppression of counterfeiting, forging, or alteration of obligations and securities of the United States and foreign countries, and of counterfeiting of coins. The Secret Service investigates forged endorsements on, or the fraudulent negotiation of, United States Treasury checks and bonds; loss of valuables in shipments by Government agencies; violations of the Gold Reserve Act; and applicants for positions in certain agencies of the Treasury Department.

PROTECTIVE AND SECURITY ACTIVITIES

The White House Detail of Secret Service agents was augmented in various parts of the Nation by agents from field offices during the President's travels in the summer and fall. Many field agents were temporarily assigned to Washington in connection with the inauguration in January 1949.

The Uniformed Force of the Secret Service protected over \$183 billion of currency, stamps, and other obligations in transit, and \$713 billion of securities in production and storage.

ENFORCEMENT ACTIVITIES

Domestic counterfeiting showed an increase during the year. Secret Service agents seized \$790,764 in domestic counterfeit notes and \$8,022 in domestic counterfeit coins in the United States, a total of \$798,786 of domestic counterfeits. This compares with \$747,434 of domestic counterfeit notes and coins seized in 1948.

There was an increase of counterfeits of foreign origin passed in the United States. Of a total of \$158,978 made abroad, \$63,496 was passed on American storekeepers in 1949, as compared with \$42,566 passed in 1948. Seizures of foreign counterfeits in 1948 totaled \$2,346,796, but this total includes an unusually large seizure near Marseilles, France, of \$2,145,200 of notes, none of which had been placed in circulation.

Of the total seizures of \$957,764 in counterfeit notes and coins in 1949, \$338,063 represented losses to victims of counterfeit passers. The balance was captured before it could be placed in circulation.

New counterfeit note issues totaled 51, and there were 62 new variations of known counterfeit notes. Of the new issues, 18 were of foreign origin. Agents captured 10 plants for the manufacture of notes.

There were 207 arrests and 136 convictions for violations of the counterfeiting laws, an increase of 31 percent in arrests compared with 1948.

Counterfeiting offenders during 1949 included four men and a woman arrested in Washington, D. C., for manufacturing about

\$150,000 in \$20 notes, all of which were captured except \$2,000 which the five had passed in various cities.

Three men were arrested in Harrison, N. Y., for possession of \$10,000 in counterfeit \$10 and \$20 notes and were found to be printing fake lottery tickets at the rate of 4,000 a week. All three were convicted.

An undercover agent negotiated a purchase of \$5,000 in counterfeit \$20 bills from two men who were arrested in New York and subsequently sentenced to prison terms. One man committed suicide in prison. Another undercover agent bought \$11,000 in counterfeit \$10 notes from two men who were subsequently arrested. At the moment of arrest one man fled and was pursued and captured by an agent. The second man, attempting to get away in an automobile, drove the machine directly at approaching agents and detectives. Blocked by traffic he drove over the sidewalk at Broadway and Nineteenth Street in New York City and crashed into a lamppost. He jumped from the car and ran two blocks before he was captured. A further example of efficient undercover work resulted in the capture of two men in Chicago, and the seizure of \$100,000 in counterfeit \$20 notes. The undercover agent in the case was promoted for meritorious service.

For the first time in several years a case developed which involved counterfeit postage stamps. New York agents arrested 1 woman and 2 men and seized 105,400 counterfeit 3-cent stamps. Prosecution is pending.

A complete plant for the manufacture of \$20 notes was captured by Los Angeles agents at Hanford, Calif.; and four men were arrested, two of whom had been previously convicted as bank robbers. All four pleaded guilty and were sentenced.

Chicago agents captured a complete plant for the manufacture of \$20 and \$50 bills and arrested four Japanese. The plant was installed in a Chicago hotel and was seized before any finished counterfeits could be circulated.

Another plant was seized by agents at Charleston, W. Va., where two men were arrested with \$2,730 in counterfeit \$5 notes which they had manufactured.

Check and bond forgeries continued to be a major enforcement problem. On June 30, 1948, there were 10,488 forged checks and 4,970 forged bonds awaiting investigation, and during the year 34,160 forged checks and 7,312 forged bonds were received for investigation. Agents completed investigations of 33,427 forged checks totaling \$2,255,829.63 and 9,105 forged bonds with a maturity value of \$617,767.27. As of June 30, 1949, 11,221 forged checks and 3,177 forged bonds were awaiting investigation.

Of the 33,427 check cases closed, 15,730 or 47.1 percent were thefts from the mails and involved \$1,085,363.17; 10,312 or 30.8 percent were income tax refund checks; 6,666 or 19.9 percent were veterans' checks; and 5,578 or 16.7 percent were allotment and allowance checks.

Arrests for check forgery totaled 1,817, and there were 1,676 convictions. There were 184 persons arrested for bond forgery, and 173 were convicted. Convictions include dispositions on cases pending from prior years.

One case involved the alteration, by the son of the payee, of a Treasury check drawn for \$19,130. The check was issued for the redemption of savings bonds and was intercepted in Kansas City by the son, who typed his own name on the check as copayee. Learning that he was sought by the Secret Service, the son fled to San Antonio, Tex., where he was promptly arrested by agents. He was sentenced to 5 years probation and to pay a fine of \$2,500.

Investigation of one forged-bond case revealed a murder and resulted in a confession by the murderer. A young man was arrested by police at Romney, W. Va., for carrying a .32-caliber pistol in his automobile. He was found to have embezzled \$400 from his employers in Arlington, Va., and to have negotiated four savings bonds by identifying himself as the owner of the car, to whom the bonds were inscribed. Agents prepared to make a paraffin test to determine whether or not the man had recently fired the pistol found in the automobile. He confessed that he had shot the car owner, dragged his body into the underbrush, and stolen the automobile. The culprit was subsequently sentenced to life imprisonment.

Arrests for all offenses aggregated 2,346 and convictions for all offenses totaled 2,125.

The Secret Service closed 45,384 criminal cases and 1,735 non-criminal cases, a total of 47,119 investigations completed during the year. Fines in criminal cases totaled \$38,343.45 and jail sentences aggregated about 2,116 years, with additional sentences of 2,333 years suspended or probated.

The following tables constitute a statistical summary of Secret Service activities for 1949:

Counterfeit money seized, fiscal years 1948 and 1949

	1948	1949	Increase, or decrease (—)	Percentage increase, or decrease (—)
Counterfeit and altered notes seized:				
After being circulated.....	\$137,318.60	\$331,021.00	\$193,702.40	141.1
Before being circulated.....	2,948,437.85	618,721.10	—2,329,716.75	—79.0
Total.....	3,085,756.45	949,742.10	—2,136,014.35	—69.2
Counterfeit coins seized:				
After being circulated.....	7,896.31	7,041.84	—854.47	—10.8
Before being circulated.....	577.25	979.77	402.52	69.7
Total.....	8,473.56	8,021.61	—451.95	—5.3
Grand total.....	3,094,230.01	957,763.71	—2,136,466.30	—69.0

Number of investigations of criminal and noncriminal activities, fiscal years 1948 and 1949

	1948	1949	Increase, or decrease (—)	Percentage increase, or decrease (—)
Criminal cases:				
Making or passing:				
Counterfeit notes.....	118	319	201	170.3
Counterfeit coins.....	49	53	4	8.2
Altered obligations.....	327	288	-39	-11.9
Forgery of Government checks.....	28,004	33,427	5,423	19.4
Stolen or altered bonds.....	12,174	9,105	-3,069	-25.2
Protective research cases.....	2,617	1,841	-776	-29.7
Other criminal cases.....	251	351	100	39.8
Total.....	43,540	45,384	1,844	4.2
Noncriminal cases.....	2,081	1,735	-346	-16.6
Grand total cases closed.....	45,621	47,119	1,498	3.3

Number of arrests and cases disposed of, fiscal years 1948 and 1949

	1948	1949	Increase, or decrease (—)	Percentage increase, or decrease (—)
Arrests for:				
Making or passing:				
Counterfeit notes.....	116	162	46	39.7
Counterfeit coins.....	42	45	3	7.1
Altered obligations.....	72	61	-11	-15.3
Forgery of Government checks.....	1,732	1,817	85	4.9
Violation of Gold Reserve Act.....	8	2	-6	-75.0
Violation of Farm Loan Act.....	1	—	-1	-100.0
Stolen, altered, or forged bonds.....	232	184	-48	-20.7
Protective research cases.....	59	52	-7	-11.9
Stamp and strip stamp cases.....	1	3	2	200.0
False claim cases.....	2	—	-2	-100.0
Theft of Treasury Department property.....	4	1	-3	-75.0
Miscellaneous.....	9	19	10	111.1
Total.....	2,278	2,346	68	3.0
Cases disposed of:				
Convictions in connection with:				
Counterfeit notes.....	52	105	53	101.9
Counterfeit coins.....	38	31	-7	-18.4
Altered obligations.....	57	73	16	28.1
Forgery of Government checks.....	1,590	1,676	86	5.4
Violation of Gold Reserve Act.....	2	—	-2	-100.0
Violation of Farm Loan Act.....	3	1	-2	-66.7
Stolen, altered, or forged bonds.....	245	173	-72	-29.4
Protective research cases.....	60	51	-9	-15.0
False claim cases.....	2	1	-1	-50.0
Theft of Treasury Department property.....	2	1	-1	-50.0
Miscellaneous.....	8	13	5	62.5
Total.....	2,059	2,125	66	+3.2
Acquittals.....	36	45	9	+25.0
Dismissed, not indicted, or died before trial.....	133	131	-2	-1.5
Total cases disposed of.....	2,228	2,301	73	3.3

EXHIBITS

PUBLIC DEBT

TREASURY CERTIFICATES OF INDEBTEDNESS, TREASURY NOTES, AND TREASURY BONDS

Exhibit 1.—Offering of 1¼ percent certificates of Series G-1949¹

[Department Circular No. 835. Public Debt]

TREASURY DEPARTMENT,
Washington, September 20, 1948.

I. OFFERING OF CERTIFICATES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States, for certificates of indebtedness of the United States, designated 1¼ percent Treasury certificates of indebtedness of Series G-1949, in exchange for Treasury certificates of indebtedness of Series J-1948 or Series K-1948, or Treasury notes of Series B-1948, all maturing October 1, 1948.

II. DESCRIPTION OF CERTIFICATES

1. The certificates will be dated October 1, 1948, and will bear interest from that date at the rate of 1¼ percent per annum, payable with the principal at maturity on October 1, 1949. They will not be subject to call for redemption prior to maturity.

2. The income derived from the certificates shall be subject to all taxes now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The certificates shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The certificates will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer certificates will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The certificates will not be issued in registered form.

5. The certificates will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States certificates.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of certificates applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

¹ Details of Department Circular No. 829, dated June 21, 1948, covering the offering of certificates of Series F-1949, will be found in 1948 annual report on p. 167; and the exchange of this issue for maturing certificates will be found on p. 170 of that report.

IV. PAYMENT

1. Payment at par for certificates allotted hereunder must be made on or before October 1, 1948, or on later allotment, and may be made only in Treasury certificates of indebtedness of Series J-1948 or Series K-1948, or Treasury notes of Series B-1948, all maturing October 1, 1948, which will be accepted at par, and should accompany the subscription. The full amount of interest due on the securities surrendered will be paid to the subscriber following acceptance of the securities.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment for certificates allotted, to make delivery of certificates on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive certificates.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

JOHN W. SNYDER,
Secretary of the Treasury.

Exhibit 2.—Details of certificate issues and allotments

Circulars pertaining to issues of Treasury certificates of indebtedness during the fiscal year 1949 are similar in form to the circular shown in exhibit 1, and therefore are not reproduced in this report. However, the essential details regarding each issue are summarized in the following table, and the final allotments of new certificates in exchange for maturing or called securities are shown in the succeeding table.

Summary of information contained in circulars pertaining to Treasury certificates of indebtedness issued during the fiscal year 1949

Date of circular	Number of circular	Certificates of indebtedness issued	Date of issue	Date of maturity	Securities exchanged for new issues	Date subscription books closed	Allotment payment date (or on later allotment)
1948							
June 21	829	1½% Series F-1949	1948 July 1	1949 July 1	7½% certificates of indebtedness: Series F-1948, due July 1, 1948 Series G-1948, due July 1, 1948 Series H-1948, due July 1, 1948	1948 June 23	1948 July 1
Sept. 29	835	1¼% Series G-1949	Oct. 1	Oct. 1	Treasury notes Series B-1948, due Oct. 1, 1948	Sept. 22	Oct. 1
Dec. 6	839	1¼% Series H-1949	Dec. 15	Dec. 15	1½% certificates of indebtedness Series J-1948, due Oct. 1, 1948 1½% certificates of indebtedness Series K-1948, due Oct. 1, 1948 2% Treasury bonds of 1945-50 (dated Dec. 8, 1939), due Dec. 15, 1948 ²	Dec. 8	Dec. 15
Dec. 15	841	1¼% Series A-1950	1949 Jan. 1	1950 Jan. 1	1½% Treasury notes Series A-1949, due Jan. 1, 1949 1½% certificates of indebtedness Series A-1949, due Jan. 1, 1949	Dec. 17	1949 Jan. 3
Jan. 19	842	1¼% Series B-1950	Feb. 1	Feb. 1	1½% certificates of indebtedness: Series B-1949, due Feb. 1, 1949	Jan. 21	Feb. 1
Feb. 15	843	1¼% Series C-1950	Mar. 1	Mar. 1	Series C-1949, due Mar. 1, 1949 ⁴	Feb. 18	Mar. 1
Mar. 21	844	1¼% Series D-1950	Apr. 1	Apr. 1	Series D-1949, due Apr. 1, 1949	Mar. 24	Apr. 1
May 19	846	1¼% Series E-1950	June 1	June 1	Series E-1949, due June 1, 1949	May 23	June 1
June 20	847	1¼% Series F-1950	July 1	July 1	2½% Treasury bonds of 1949-51 (dated Jan. 15, 1942), due June 15, 1949 ⁵ 1½% certificates of indebtedness Series F-1949, due July 1, 1949	June 23	July 1

¹ Interest due on securities surrendered was paid to subscriber following acceptance of securities.

² Called on Aug. 13, 1948, for redemption on Dec. 15, 1948.

³ Payment of final interest due Dec. 15, 1948, on bonds surrendered was paid as follows: On coupon bonds, by payment of Dec. 15, 1948, coupons; and on registered bonds, by checks drawn in accordance with assignments on bonds surrendered.

⁴ Beginning with November 1947 operation, arrangements were made between Treasury and Federal Reserve System whereby all or part of System's holdings of certain maturing and called securities would be presented for cash redemption.

⁵ Called on Feb. 14, 1949, for redemption on June 15, 1949.

⁶ Interest due on certificates surrendered was paid to subscriber following acceptance of certificates. In case of called bonds in coupon form, payment of accrued interest on new certificates from June 1 to 15, 1949 (\$0.47945 per \$1,000), was made when subscription was tendered. In case of called registered bonds, accrued interest was deducted from amount of check issued in payment of final interest on bonds surrendered. Final interest due June 15, 1949, on bonds surrendered was paid as follows: On coupon bonds, by payment of June 15, 1949, coupons; and on registered bonds, by checks drawn in accordance with assignments on bonds surrendered.

Treasury certificates of indebtedness issued in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1949.¹

(In thousands of dollars)

Federal Reserve district	1½% Series G-1949 certificates exchanged for—				1¼ Series H-1949 certificates exchanged for 2½ Treasury bonds of 1948-50 (dated Dec. 8, 1939), called for redemption on Dec. 15, 1948	1¼% Series A-1950 certificates exchanged for—		Total
	1½ Series J-1948 certificates maturing Oct. 1, 1948	1½ Series K-1948 certificates maturing Oct. 1, 1948	1% Series B-1948 Treasury notes, maturing Oct. 1, 1948	Total		1½% Series A-1949 certificates maturing Jan. 1, 1949	1½% Series Treasury notes, maturing Jan. 1, 1949	
Boston.....	64,495	48,741	116,938	230,174	11,960	83,255	104,085	187,340
New York.....	589,555	614,554	2,234,173	3,438,282	330,370	1,140,136	1,622,327	2,780,463
Philadelphia.....	38,422	49,966	135,855	224,243	6,983	63,966	116,238	180,204
Cleveland.....	51,923	14,518	57,672	124,113	14,199	46,825	108,610	155,435
Cincinnati.....	7,038	7,045	22,120	36,203	11,631	27,241	34,876	39,512
Pittsburgh.....	8,200	11,408	26,098	45,706	11,631	27,241	34,876	62,117
Richmond.....	9,711	28,855	23,317	61,883	11,959	16,033	13,224	29,257
Baltimore.....	3,965	8,454	21,829	34,248	217	15,932	25,604	41,536
Charlotte.....	3,979	5,600	10,847	20,426	420	11,052	9,881	20,933
Atlanta.....	19,725	16,281	25,191	61,197	1,477	7,293	24,748	64,981
Birmingham.....	6,707	4,726	13,320	24,753	1,155	4,040	10,415	17,708
Jacksonville.....	2,767	3,649	17,024	23,440	266	7,332	7,234	11,274
Nashville.....	5,038	4,483	17,930	27,451	92	13,215	18,871	32,086
New Orleans.....	20,367	24,023	53,952	98,342	623	337,398	566,887	904,285
Chicago.....	156,567	182,896	457,490	796,943	81,546	66,058	51,691	117,719
St. Louis.....	30,330	33,050	60,093	123,473	4,824	3,734	6,347	10,681
Little Rock.....	3,155	3,459	4,961	11,575	102	35,229	15,282	50,511
Louisville.....	11,188	11,794	31,807	54,789	3,225	7,317	5,143	12,460
Memphis.....	7,936	7,152	8,673	23,761	1,171	64,965	104,714	169,679
Minneapolis.....	53,561	49,263	110,208	213,032	7,110	104,904	99,658	204,562
Kansas City.....	59,148	67,370	117,215	243,733	5,354	27,203	26,995	54,198
Dallas.....	11,389	13,671	52,650	77,710	4,363	2,127	2,412	4,539
El Paso.....	869	2,373	3,686	6,928	109	30,885	32,778	63,663
Houston.....	11,250	13,320	20,899	45,469	1,931	15,768	15,406	31,174
San Antonio.....	11,267	19,605	23,129	54,001	1,258	17,696	14,351	166,047
San Francisco.....	19,216	31,321	170,228	220,765	21,035	106,419	104,435	210,854
Los Angeles.....	46,930	73,998	83,950	204,878	5,613	2,840	11,063	13,903
Portland.....	1,430	2,705	6,953	11,088	14	6,010	9,748	15,758
Salt Lake City.....	1,867	2,111	5,387	9,387	18	10,904	24,245	35,149
Seattle.....	4,825	5,359	9,910	20,094	130	2,292	6,133	8,425
Treasury.....	4,581	9,116	1,767	15,464	1,131	2,395,995	3,298,601	5,694,596
Total allotments on exchanges.....	1,256,596	1,366,498	3,912,067	6,535,161	519,153	2,395,995	3,298,601	5,694,596
Cash redemptions of maturing or called securities: Redeemed by Federal Reserve Banks.....					52,278	195,916	236,217	432,133
Redeemed by others or carried to matured debt.....	97,370	100,578	179,983	377,931	52,278	195,916	236,217	432,133
Total redeemed for cash.....	97,370	100,578	179,983	377,931	52,278	195,916	236,217	432,133
Total matured or called security.....	1,353,966	1,467,076	4,092,050	6,913,092	571,431	2,591,911	3,534,818	6,126,729

¹ For allotments of Series F-1949 certificates dated July 1, 1948, see 1948 annual report, p. 170.

Treasury certificates of indebtedness issued in exchange for matured or called securities, by Federal Reserve districts, fiscal year 1949 —Continued

[In thousands of dollars]

Federal Reserve district	1½% Series B-1950 certificates exchanged for 1½% Series B-1949 certificates, maturing Feb. 1, 1949	1½% Series C-1950 certificates exchanged for 1½% Series C-1949 certificates, maturing Mar. 1, 1949	1½% Series D-1950 certificates exchanged for 1½% Series D-1949 certificates, maturing Apr. 1, 1949	1½% Series E-1950 certificates exchanged for—			1½% Series F-1950 certificates exchanged for 1½% Series F-1949 certificates, maturing July 1, 1949
				1½% Series E-1949 certificates, maturing June 1, 1949	2½% Treasury bonds (dated Jan. 15, 1942), called for redemption on June 15, 1949	Total	
Boston.....	92,702	92,059	33,986	181,246	52,895	234,141	82,632
New York.....	800,502	1,629,811	450,082	2,402,726	567,562	2,970,288	3,881,256
Philadelphia.....	87,635	64,704	18,410	148,749	42,503	190,252	103,130
Cleveland.....	69,172	48,658	18,103	76,133	6,429	82,618	98,348
Cincinnati.....	13,747	28,036	10,404	24,444	3,355	29,779	17,617
Pittsburgh.....	13,601	41,280	11,518	33,363	13,404	48,967	31,272
Richmond.....	11,043	12,550	4,314	20,940	4,388	25,338	18,086
Baltimore.....	9,030	8,842	6,400	21,855	6,715	28,570	9,263
Charlotte.....	3,707	3,570	2,619	21,230	1,256	22,306	28,502
Atlanta.....	23,620	27,571	11,500	34,432	7,607	42,039	39,842
Birmingham.....	10,080	11,807	3,555	10,632	462	11,094	10,470
Jacksonville.....	6,967	11,807	2,577	17,202	1,198	18,400	8,440
Nashville.....	7,993	9,590	2,299	13,644	2,713	16,357	10,420
New Orleans.....	11,395	24,145	8,397	13,680	4,408	18,088	32,170
Chicago.....	230,400	306,026	129,471	430,588	91,548	522,136	492,737
St. Louis.....	42,064	90,400	27,050	67,866	9,036	76,925	93,279
Little Rock.....	9,368	12,357	3,172	10,108	236	10,424	4,674
Louisville.....	25,653	42,825	13,354	38,680	1,608	40,348	31,297
Memphis.....	55,796	71,819	3,741	10,495	246	10,741	14,864
Minneapolis.....	55,697	71,442	42,772	77,116	17,009	94,125	103,296
Kansas City.....	96,986	93,467	50,272	110,017	25,482	131,499	130,558
Dallas.....	31,293	27,013	10,394	38,326	2,587	40,913	45,842
El Paso.....	12,449	2,133	1,362	4,146	711	4,857	2,710
Houston.....	11,416	18,439	16,508	29,937	2,574	32,511	27,921
San Antonio.....	10,919	8,379	4,465	17,787	3,230	21,017	17,536
San Francisco.....	58,246	94,181	32,532	192,877	19,000	211,877	135,317
Portland.....	96,309	74,683	25,028	70,283	16,550	86,833	82,069
Los Angeles.....	6,363	3,960	1,463	7,240	1,266	8,506	3,662
Salt Lake City.....	2,253	2,258	2,635	7,746	274	8,020	4,368
Seattle.....	89,582	7,845	2,342	24,098	1,920	26,018	12,158
Treasury.....	4,255	6,676	6,739	4,517	2,739	7,256	5,289
Total allotments on exchanges.....	1,993,250	2,921,536	962,544	4,405,798	912,990	5,018,788	5,601,025
Cash redemptions of maturing or called securities: Redeemed by Federal Reserve Banks.....	88,000	400,000					
Redeemed by others or carried to matured debt.....	107,563	231,620	92,292	195,319	101,029	296,348	181,865
Total redeemed for cash.....	195,563	631,620	92,292	195,319	101,029	296,348	181,865
Total matured or called security.....	2,188,813	3,553,156	1,054,836	4,301,117	1,014,019	5,315,136	5,782,890

¹ For allotments of Series F-1949 certificates dated July 1, 1948, see 1948 annual report, p. 170.

Exhibit 3.—Offering of 1 $\frac{3}{8}$ percent Treasury notes of Series A-1950, and allotments

[Department Circular No. 834. Public Debt]

TREASURY DEPARTMENT,
*Washington, September 1, 1948.***I. OFFERING OF NOTES**

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par, from the people of the United States for notes of the United States, designated 1 $\frac{3}{8}$ percent Treasury notes of Series A-1950, in exchange for 1 $\frac{1}{2}$ percent Treasury notes of Series A-1948, maturing September 15, 1948.

II. DESCRIPTION OF NOTES

1. The notes will be dated September 15, 1948, and will bear interest from that date at the rate of 1 $\frac{3}{8}$ percent per annum, payable on a semiannual basis on April 1 and October 1, 1949, and April 1, 1950. They will mature April 1, 1950, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all taxes, now or hereafter imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be acceptable to secure deposits of public moneys. They will not be acceptable in payment of taxes.

4. Bearer notes will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The notes will not be issued in registered form.

5. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, to allot less than the amount of notes applied for, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par for notes allotted hereunder must be made on or before September 15, 1948, or on later allotment, and may be made only in Treasury notes of Series A-1948, maturing September 15, 1948, which will be accepted at par, and should accompany the subscription.

V. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective districts, to issue allotment notices, to receive payment or notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

JOHN W. SNYDER,
Secretary of the Treasury.

1½ percent Treasury notes of Series A-1950 issued in exchange for maturing 1½ percent Treasury notes of Series A-1948, by Federal Reserve districts

[In thousands of dollars]

Federal Reserve district	Subscriptions received and allotted	Federal Reserve district	Subscriptions received and allotted
Boston.....	100,737	St. Louis—Continued	
New York.....	1,751,794	Louisville.....	42,356
Philadelphia.....	148,036	Memphis.....	12,494
Cleveland.....	74,056	Minneapolis.....	94,326
Cincinnati.....	27,472	Kansas City.....	148,459
Pittsburgh.....	28,315	Dallas.....	40,633
Richmond.....	19,465	El Paso.....	3,377
Baltimore.....	24,657	Houston.....	12,843
Charlotte.....	9,105	San Antonio.....	28,587
Atlanta.....	54,593	San Francisco.....	179,583
Birmingham.....	3,975	Los Angeles.....	69,867
Jacksonville.....	6,142	Portland.....	5,605
Nashville.....	5,657	Salt Lake City.....	2,725
New Orleans.....	22,272	Seattle.....	9,223
Chicago.....	580,102	Treasury.....	3,370
St. Louis.....	81,779		
Little Rock.....	4,392	Total.....	3,595,997

Exhibit 4.—Calls for redemption of three issues of Treasury bonds

PRESS RELEASE AUGUST 13, 1948

The Secretary of the Treasury announced today that all outstanding 2 percent Treasury bonds of 1948-50, dated December 8, 1939, are called for redemption on December 15, 1948. There are now outstanding \$571,431,150 of these bonds.

The text of the formal notice of call is as follows:

TWO PERCENT TREASURY BONDS OF 1948-50 (DATED DECEMBER 8, 1939)

To Holders of 2 Percent Treasury Bonds of 1948-50 (Dated December 8, 1939), and Others Concerned:

1. Public notice is hereby given that all outstanding 2 percent Treasury bonds of 1948-50, dated December 8, 1939, are hereby called for redemption on December 15, 1948, on which date interest on such bonds will cease.

2. Holders of these bonds may, in advance of the redemption date, be offered the privilege of exchanging all or any part of their called bonds for other interest-bearing obligations of the United States, in which event public notice will hereafter be given and an official circular governing the exchange offering will be issued.

3. Full information regarding the presentation and surrender of the bonds for cash redemption under this call will be found in Department Circular No. 666, dated July 21, 1941.

JOHN W. SNYDER,
Secretary of the Treasury.

PRESS RELEASE FEBRUARY 14, 1949

The Secretary of the Treasury announced today that all outstanding 2 percent Treasury bonds of 1949-51, dated January 15, 1942, are called for redemption on June 15, 1949. There are now outstanding \$1,014,018,900 of these bonds.

The text of the formal notice of call is as follows:

TWO PERCENT TREASURY BONDS OF 1949-51 (DATED JANUARY 15, 1942)

To Holders of 2 Percent Treasury Bonds of 1949-51 (Dated January 15, 1942), and Others Concerned:

1. Public notice is hereby given that all outstanding 2 percent Treasury bonds of 1949-51, dated January 15, 1942, are hereby called for redemption on June 15, 1949, on which date interest on such bonds will cease.

[Paragraphs 2 and 3, omitted here, are similar to corresponding paragraphs in the first notice of call.]

JOHN W. SNYDER,
Secretary of the Treasury.

PRESS RELEASE MAY 13, 1949

The Secretary of the Treasury announced today that all outstanding 2 percent Treasury bonds of 1949-51, dated May 15, 1942, are called for redemption on September 15, 1949. There are now outstanding \$1,292,443,600 of these bonds. The text of the formal notice of call is as follows:

TWO PERCENT TREASURY BONDS OF 1949-51 (DATED MAY 15, 1942)

To Holders of 2 Percent Treasury Bonds of 1949-51 (Dated May 15, 1942), and Others Concerned:

1. Public notice is hereby given that all outstanding 2 percent Treasury bonds of 1949-51, dated May 15, 1942, are hereby called for redemption on September 15, 1949, on which date interest on such bonds will cease.

[Paragraphs 2 and 3, omitted here, are similar to corresponding paragraphs in the first notice of call.]

JOHN W. SNYDER,
Secretary of the Treasury.

TREASURY BILLS**Exhibit 5.—Inviting tenders for Treasury bills dated July 1, 1948 (press release June 25, 1948)**

The Secretary of the Treasury, by this public notice, invites tenders for \$1,100,000,000, or thereabouts, of 91-day Treasury bills, for cash and in exchange for Treasury bills maturing July 1, 1948, to be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided. The bills of this series will be dated July 1, 1948, and will mature September 30, 1948, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and branches up to the closing hour, 2 o'clock p. m., eastern daylight saving time, Monday, June 28, 1948. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals; e. g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for \$200,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on July 1, 1948, in cash or other immediately available funds or in a like face amount of Treasury bills maturing July 1, 1948. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or

supplementary thereto. The bills shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest. Under sections 42 and 117 (a) (1) of the Internal Revenue Code, as amended by section 115 of the Revenue Act of 1941, the amount of discount at which bills issued hereunder are sold shall not be considered to accrue until such bills shall be sold, redeemed or otherwise disposed of, and such bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder need include in his income tax return only the difference between the price paid for such bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made, as ordinary gain or loss.

Treasury Department Circular No. 418, as amended, and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or branch.

Exhibit 6.—Acceptance of tenders for Treasury bills dated July 1, 1948 (press release June 29, 1948)

The Secretary of the Treasury announced last evening that the tenders for \$1,100,000,000, or thereabouts, of 91-day Treasury bills to be dated July 1 and to mature September 30, 1948, which were offered June 25, 1948, were opened at the Federal Reserve Banks on June 28.

The details of this issue are as follows:

Total applied for... \$1,777,999,000.

Total accepted.... \$1,101,696,000 (includes \$29,007,000 entered on a non-competitive basis and accepted in full at the average price shown below).

Average price..... 99.748 equivalent rate of discount approximately 0.997 percent per annum.

Range of accepted competitive bids:

High..... 99.752 equivalent rate of discount approximately 0.981 percent per annum.

Low..... 99.747 equivalent rate of discount approximately 1.001 percent per annum.

(35 percent of the amount bid for at the low price was accepted.)

Federal Reserve district	Total applied for	Total accepted
Boston.....	\$21,133,000	\$20,808,000
New York.....	1,490,783,000	874,618,000
Philadelphia.....	13,775,000	12,410,000
Cleveland.....	32,020,000	25,520,000
Richmond.....	3,325,000	3,325,000
Atlanta.....	10,400,000	10,400,000
Chicago.....	129,064,000	104,819,000
St. Louis.....	1,340,000	1,015,000
Minneapolis.....	8,610,000	7,960,000
Kansas City.....	10,228,000	9,513,000
Dallas.....	3,620,000	3,607,000
San Francisco.....	53,701,000	27,701,000
Total.....	1,777,999,000	1,101,696,000

Exhibit 7.—Summary of Treasury bill information contained in press releases

Press releases pertaining to Treasury bill issues during the fiscal year 1949 were similar in form to exhibits 5 and 6, and are, therefore, not reproduced here. The essential details regarding each issue are summarized in the following table.

Summary of information contained in press releases ¹ pertaining to Treasury bills issued during the fiscal year 1949

Amounts (in thousands)			Tenders accepted					Prices and rates				
Date of issue	Date of maturity	Days to maturity	Total accepted ²	Amount on competitive basis ¹	Amount on non-competitive basis ^{2, 3}	For cash	In exchange	Total bids accepted		Competitive bids accepted		
								Average price per hundred	Equivalent average rate ⁴ (percent)	High	Low	Equivalent rate ⁴ (percent)
1948	July	1	\$1,101,896	\$1,072,689	\$29,207	\$451,076		0.997	99.752	99.747	1.001	
		7	1,102,048	1,070,955	31,093	431,278	99.748	.997	99.753	99.747	1.001	
		8	1,802,699	1,785,551	17,148	670,770	99.748	.997	99.753	99.747	1.001	
		15	1,655,641	1,640,551	15,090	489,717	99.748	.997	99.753	99.747	1.001	
		22	1,725,053	1,708,889	16,164	341,602	99.748	.997	99.753	99.747	1.001	
	Aug.	29	1,689,397	1,673,295	16,102	347,944	99.748	.997	99.753	99.747	1.001	
		5	1,708,403	1,692,023	6,380	489,604	99.748	.997	99.753	99.747	1.001	
		12	1,708,403	1,692,023	6,380	314,088	99.748	.997	99.753	99.747	1.001	
		19	1,708,403	1,692,023	6,380	325,873	99.748	.997	99.753	99.747	1.001	
		26	1,708,403	1,692,023	6,380	325,873	99.748	.997	99.753	99.747	1.001	
Sept.	2	1,000,376	998,267	42,109	359,563	99.726	1.072	99.747	99.727	1.080		
	9	1,000,376	998,267	42,109	640,813	99.726	1.072	99.747	99.727	1.080		
	16	1,000,376	998,267	42,109	359,563	99.726	1.072	99.747	99.727	1.080		
	23	1,000,376	998,267	42,109	640,813	99.726	1.072	99.747	99.727	1.080		
	30	1,000,376	998,267	42,109	359,563	99.726	1.072	99.747	99.727	1.080		
1949	Jan.	6	\$1,101,319	1,049,922	51,397	635,658		1.114	99.724	99.717	1.120	
		13	902,136	838,783	63,343	498,330	99.717	1.119	99.722	99.717	1.120	
		20	1,601,746	1,586,586	15,160	857,791	99.717	1.118	99.722	99.716	1.124	
		27	1,740,635	1,725,475	15,160	21,445	99.717	1.129	99.722	99.715	1.127	
		3	1,312,752	1,297,592	15,160	879,784	99.715	1.129	99.722	99.715	1.127	
	Feb.	10	1,312,752	1,297,592	15,160	21,445	99.715	1.129	99.722	99.715	1.127	
		17	1,312,752	1,297,592	15,160	879,784	99.715	1.129	99.722	99.715	1.127	
		24	1,312,752	1,297,592	15,160	21,445	99.715	1.129	99.722	99.715	1.127	
		3	1,312,752	1,297,592	15,160	879,784	99.715	1.129	99.722	99.715	1.127	
		10	1,312,752	1,297,592	15,160	21,445	99.715	1.129	99.722	99.715	1.127	
Mar.	17	1,312,752	1,297,592	15,160	879,784	99.715	1.129	99.722	99.715	1.127		
	24	1,312,752	1,297,592	15,160	21,445	99.715	1.129	99.722	99.715	1.127		
	3	1,312,752	1,297,592	15,160	879,784	99.715	1.129	99.722	99.715	1.127		
	10	1,312,752	1,297,592	15,160	21,445	99.715	1.129	99.722	99.715	1.127		
	17	1,312,752	1,297,592	15,160	879,784	99.715	1.129	99.722	99.715	1.127		
Dec.	2	1,418,870	1,403,710	15,160	426,884	99.713	1.147	99.720	99.710	1.147		
	9	1,418,870	1,403,710	15,160	375,297	99.709	1.152	99.720	99.708	1.155		
	16	1,418,870	1,403,710	15,160	879,784	99.709	1.152	99.720	99.708	1.155		
	23	1,418,870	1,403,710	15,160	375,297	99.709	1.152	99.720	99.708	1.155		
	30	1,418,870	1,403,710	15,160	879,784	99.709	1.152	99.720	99.708	1.155		

1949	7	1	1,000,982	945,758	55,214	939,268	61,714	99,708	1,155	99,717	1,120	99,707	1,159
Jan.	13	91	1,478,930	828,234	78,397	998,564	207,577	99,707	1,160	99,720	1,108	99,706	1,163
	20	91	1,511,612	831,426	73,249	758,383	146,282	99,707	1,160	99,715	1,127	99,706	1,163
	27	91	1,514,644	839,277	63,347	732,930	168,994	99,707	1,161	99,712	1,139	99,706	1,163
Feb.	3	91	1,417,262	747,297	53,210	550,585	210,722	99,706	1,163	99,712	1,139	99,705	1,167
	10	91	1,473,940	803,191	50,480	546,384	356,007	99,706	1,163	99,710	1,147	99,705	1,167
	17	91	1,436,367	801,748	56,411	432,585	349,593	99,706	1,163	99,710	1,147	99,705	1,167
	24	91	1,460,462	801,780	55,410	433,114	407,466	99,706	1,163	99,710	1,147	99,705	1,167
Mar.	3	91	1,663,054	806,574	51,398	414,435	492,439	99,706	1,162	99,712	1,139	99,706	1,163
	10	91	1,538,522	805,016	58,809	638,624	270,537	99,706	1,162	99,712	1,139	99,706	1,163
	17	91	1,661,564	828,723	53,903	438,495	404,351	99,706	1,162	99,709	1,131	99,706	1,163
	24	91	1,523,755	807,022	54,546	445,043	461,935	99,706	1,162	99,709	1,131	99,706	1,163
	31	91	1,611,540	863,236	57,024	437,658	465,202	99,707	1,162	99,709	1,131	99,706	1,163
Apr.	7	91	1,534,357	823,377	52,701	746,223	135,407	99,707	1,159	99,711	1,143	99,707	1,159
	14	91	1,517,123	823,377	76,329	794,209	107,897	99,708	1,155	99,712	1,143	99,707	1,159
	21	91	1,546,606	836,894	66,018	649,666	255,816	99,708	1,157	99,711	1,143	99,707	1,159
	28	91	1,637,588	846,128	55,352	774,358	127,702	99,708	1,156	99,709	1,131	99,707	1,159
May	5	91	1,623,290	801,387	57,051	773,306	26,881	99,710	1,147	99,712	1,139	99,709	1,151
	12	91	1,703,006	900,331	78,722	580,346	26,881	99,710	1,147	99,712	1,139	99,709	1,151
	19	91	1,414,570	821,389	68,735	534,244	268,719	99,708	1,157	99,712	1,139	99,706	1,163
	26	91	1,598,560	904,324	55,594	419,341	458,583	99,707	1,159	99,712	1,139	99,706	1,163
June	2	91	1,660,474	849,228	51,293	348,598	532,923	99,707	1,159	99,711	1,143	99,706	1,163
	9	91	1,591,306	841,733	62,855	663,252	241,566	99,707	1,158	99,711	1,143	99,707	1,159
	16	91	1,638,177	841,373	66,104	642,887	245,032	99,707	1,158	99,711	1,143	99,707	1,159
	23	91	1,507,415	842,050	60,954	427,236	473,758	99,707	1,158	99,711	1,143	99,706	1,163
	30	91	1,538,241	849,724	51,239	577,242	325,721	99,707	1,158	99,711	1,143	99,707	1,159

NOTE.—Amount of matured issues will be found in table 22.

¹ Press release inviting tenders for Treasury bill issue is dated 6 days before date of issue.

Press release announcing acceptance of tenders is dated 2 days before date of issue. Clos-

ing date on which tenders for issue are accepted is 3 days before date of issue.

² Figures, at maturity value, are final and differ in most cases from those shown in

press releases announcing details of particular issue.

³ Noncompetitive tenders for \$200,000 or less without stated price from any one bidder were accepted in full at average price of accepted competitive bids.

⁴ Bank discount basis.

⁵ Except for tender of \$200,000.

⁶ Except for tender of \$100,000.

⁷ Except for tender of \$200,000.

TREASURY SAVINGS NOTES, UNITED STATES SAVINGS BONDS, AND ARMED FORCES
LEAVE BONDS

Exhibit 8.—Offering of Treasury savings notes of Series D

[Department Circular No. 833. Public Debt]

TREASURY DEPARTMENT,
Washington, August 17, 1948.

I. OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, offers for sale to the people of the United States, at par, an issue of notes of the United States, designated Treasury savings notes, Series D, which notes, if inscribed in the name of a Federal taxpayer, will be receivable as hereinafter provided at par and accrued interest in payment of income, estate and gift taxes imposed by the Internal Revenue Code, or laws amendatory or supplementary thereto.

2. The sale of Treasury savings notes, Series C, issued under Department Circular No. 696, First Revision, dated November 20, 1943, is hereby terminated at the close of business August 31, 1948.

3. The sale of notes of Series D offered by this circular will continue until terminated by the Secretary of the Treasury.

II. DESCRIPTION OF NOTES

1. *General.*—Treasury savings notes, Series D, will in each instance be dated as of the first day of the month in which payment, at par, is received and credited by an agent authorized to issue the notes. They will mature three years from that date, and may not be called by the Secretary of the Treasury for redemption before maturity. All notes issued during any one calendar year shall constitute a separate series indicated by the letter "D" followed by the year of maturity. At the time of issue the authorized issuing agent will inscribe on the face of each note the name and address of the owner, will enter the date as of which the note is issued and will imprint his dating stamp (with current date). The notes will be issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000, \$100,000, \$500,000 and \$1,000,000. Exchange of authorized denominations from higher to lower, but not from lower to higher, may be arranged at the office of the agent that issued the note.

2. *Acceptance for taxes or cash redemption.*—If inscribed in the name of an individual, corporation, or other entity paying income, estate or gift taxes imposed under the Internal Revenue Code, or laws amendatory or supplementary thereto, the notes will be receivable, subject to the provisions of section IV of this circular, at par and accrued interest, in payment of such income, estate or gift taxes assessed against the owner or his estate. If not presented in payment of taxes, or if not inscribed in the name of a taxpayer liable to the above-described taxes, and subject to the provisions of section V of this circular, the notes will be payable at maturity, or at the owner's option and request they will be redeemable before maturity at par and accrued interest.

3. *Interest.*—Interest on each \$1,000 principal amount of savings notes, Series D, will accrue each month from the month of issue, on a graduated scale, as follows:

	<i>Each month</i>
First to sixth months, inclusive.....	\$0. 80
Seventh to twelfth months, inclusive.....	1. 00
Thirteenth to eighteenth months, inclusive.....	1. 20
Nineteenth to twenty-fourth months, inclusive.....	1. 30
Twenty-fifth to thirty-sixth months, inclusive.....	1. 40

The table appended to this circular shows for notes of each denomination, for each consecutive calendar month from month of issue to month of maturity, (a) the amount of interest accrual, (b) the principal amount of the note with accrued interest (cumulative) added, and (c) the approximate investment yields. In no case shall interest accrue beyond the month in which the note is presented in payment of taxes, or for redemption before maturity as provided in section V of this circular, or beyond its maturity. Interest will be paid only with the principal amount.

4. *Forms of inscription.*—Treasury savings notes, Series D, may be inscribed in the name of an individual, corporation, unincorporated association or society, or a fiduciary (including trustees under a duly established trust where the notes would not be held as security for the performance of a duty or obligation), whether or not the inscribed owner is subject to taxation under the Internal Revenue Code, or laws amendatory or supplementary thereto. They may also be inscribed in the name of a town, city, county or State or other governmental body and in the name of a partnership, but notes in the name of a partnership are not acceptable in payment of taxes, since a partnership is not a taxpaying entity under the Internal Revenue Code. The notes will not be inscribed in the names of two or more persons as joint owners or coowners; or in the name of a public officer, whether or not named as trustee, where the notes would in effect be held as security.

5. *Nontransferability.*—The notes may not be transferred in ordinary course; except that (1) if inscribed in the name of a married man they may be reissued in the name of his wife, or if inscribed in the name of a married woman they may be reissued in the name of her husband, upon request of the person in whose name the notes are inscribed and the surrender of the notes to the agent that issued them; (2) if inscribed in the name of a corporation owning more than 50 percent of the stock, with voting power, of another corporation, the notes may be reissued in the name of the subsidiary upon request of the corporation and surrender of the notes to the agent that issued them; (3) upon the death or disability of an individual inscribed owner or the dissolution, consolidation or merger of a corporation or unincorporated association named as owner, reissue or payment may be made in accordance with section VI hereof; and (4) payment but not reissue, may be made as a result of legal proceedings as set forth in said section VI. The notes may not be hypothecated and no attempted hypothecation or pledge as security will be recognized by the Treasury Department: *Provided, however,* That the notes may be pledged as collateral for loans from banking institutions and if title thereto is acquired by a bank because of the failure of a loan to be paid, the notes will be redeemed at par and accrued interest to the month in which acquired on surrender to the agent who issued them, accompanied by proof of the date of acquisition and by request of the pledgee under power of attorney given by the pledgor in whose name the notes are inscribed. The notes will not be transferred to a pledgee. The notes will not be acceptable to secure deposits of public moneys.

6. *Taxation.*—Income derived from the notes shall be subject to all taxes imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

III. PURCHASE OF NOTES

1. *Official agencies.*—In addition to the Treasury Department, the Federal Reserve Banks and their branches are hereby designated agencies for the issue and redemption of Treasury savings notes, Series D. The Secretary of the Treasury, from time to time, in his discretion, may designate other agencies for the issue of the notes, or for accepting applications therefor, or for making payments on account of the redemption thereof.

2. *Applications and payment.*—Applications will be received by the Federal Reserve Banks and branches, and by the Treasurer of the United States, Washington, D. C. Banking institutions and security dealers generally may submit applications for account of customers, but only the Federal Reserve Banks and their branches and the Treasury Department are authorized to act as official agencies. The use of an official application form is desirable but not necessary. Appropriate forms may be obtained on application to any Federal Reserve Bank or branch, or the Treasurer of the United States, Washington, D. C. Every application must be accompanied by payment in full, at par. Any form of exchange, including personal checks, will be accepted subject to collection, and should be drawn to the order of the Federal Reserve Bank or of the Treasurer of the United States, as payee, as the case may be. The date funds are made available on collection of exchange will govern the issue date of the notes. Any depositary, qualified pursuant to the provisions of Treasury Department Circular No. 92, Revised, as amended, will be permitted to make payment by credit for notes applied for on behalf of itself or its customers up to any amount for which it shall be qualified in excess of existing deposits.

3. *Reservations.*—The Secretary of the Treasury reserves the right to reject any application in whole or in part, and to refuse to issue or permit to be issued hereunder any notes in any case or in any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final. If an application is rejected, in whole or in part, any payment received therefor will be refunded.

4. *Delivery of notes.*—Upon acceptance of full-paid applications, notes will be duly inscribed and, unless delivered in person, will be delivered, at the risk and expense of the United States at the address given by the purchaser, by mail, but only within the United States, its territories and insular possessions and the Canal Zone. No deliveries elsewhere will be made.

IV. PRESENTATION IN PAYMENT OF TAXES

1. During and after the second calendar month after the month of purchase (as shown by the issue date on each note), during such time, and under such rules and regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe, notes issued hereunder in the name of a taxpayer (individual, corporation, or other entity) may be presented and surrendered by such taxpayer, his agent, or his estate, to the Collector of Internal Revenue to whom the tax return is made, and will be receivable by the Collector at par and accrued interest from the month of issue to the month, inclusive (but no accrual beyond maturity), in which presented, in payment of any income (current and back personal and corporation taxes, and excess-profits taxes), or any estate or gift taxes (current and back) imposed by the Internal Revenue Code, or laws amendatory or supplementary thereto, assessed against the inscribed owner or his estate. The notes must be forwarded to the Collector at the risk and expense of the owner, and, for the owner's protection, should be forwarded by registered mail, if not presented in person.

V. CASH REDEMPTION AT OR PRIOR TO MATURITY

1. *General.*—(a) Any Treasury savings note of Series D not presented in payment of taxes will be paid at maturity, or, at the option and request of the owner and without advance notice, will be redeemed before maturity, but the notes may be redeemed before maturity only during and after the fourth calendar month after the month of issue (as shown on the face of each note). (b) Payment at maturity or on redemption before maturity will be made at par and accrued interest to the month of payment, except, if a note is inscribed in the name of a bank that accepts demand deposits, payment at maturity or on redemption before maturity will be made only at the issue price, or par, of the note. However, if a note is acquired by any such bank through forfeiture of a loan, payment will be made at the redemption value for the month in which so acquired.

2. *Execution of request for payment.*—The owner in whose name the note is inscribed must appear before one of the officers authorized by the Secretary of the Treasury to witness and certify requests for payment, establish his identity, and in the presence of such officer sign the request for payment appearing on the back of the note, adding the address to which check is to be mailed. After the request for payment has been so signed, the witnessing officer should complete and sign the certificate provided for his use.

3. *Officers authorized to witness and certify requests for payment.*—All officers authorized to witness and certify requests for payment of United States savings bonds, as set forth in Treasury Department Circular No. 530, Sixth Revision, as amended, are hereby authorized to witness and certify requests for cash redemption of Treasury notes issued under this circular. Such officers include, among others, United States postmasters, certain other post office officials, officers of all banks and trust companies incorporated in the United States or its organized territories, including officers at branches thereof, and commissioned officers of the Army, Navy, Marine Corps, and Coast Guard.

4. *Presentation and surrender.*—Notes bearing properly executed requests for payment must be presented and surrendered to any Federal Reserve Bank or branch or to the Treasury Department, Washington, D. C., at the expense and risk of the owner. For the owner's protection, notes should be forwarded by registered mail, if not presented in person.

5. *Partial redemption.*—Partial cash redemption of a note, corresponding to an authorized denomination, may be made in the same manner as for full cash redemption, appropriate changes being made in the request for payment. In case of partial redemption of a note, the remainder will be reissued in the same name and with the same date of issue as the note surrendered.

6. *Payment.*—Payment of any note, either at maturity or on redemption before maturity, will be made by any Federal Reserve Bank or branch or the Treasury Department, following clearance with the agent of issue, which will be obtained by the agent to which the note is surrendered. Payment will be made by check drawn to the order of the owner, and mailed to the address given in his request for payment.

VI. PAYMENT OR REISSUE TO OTHER THAN INSCRIBED OWNER

1. *Death or disability.*—In case of the death or disability of an individual owner and the notes are not to be presented in payment of taxes, payment will be made to the duly constituted representative of his estate, or they may be reissued to one or more of his heirs or legatees upon satisfactory proof of their right; but no reissue will be made in two names jointly or as coowners.

2. *Dissolution or merger of corporations, etc.*—If a corporation or unincorporated body, in whose name notes are inscribed, is dissolved, consolidated, merged or otherwise changes its organization, the notes may be paid to, or reissued in the name of, those persons or organizations lawfully entitled to the assets of such corporation or body by reason of such changes in organization.

3. *Bankruptcy.*—If an inscribed owner of notes is declared bankrupt or insolvent, payment, but not reissue, will be made to the duly qualified trustee, receiver or similar representative if the notes are submitted with satisfactory proof of his appointment and qualification.

4. *Creditors' rights.*—Payment, but not reissue, will be made as a result of judicial proceedings in a court of competent jurisdiction, if the notes are submitted with proper proof of such proceedings and their finality.

5. *Instructions and information.*—Before executing the request for payment or submitting the notes under the provisions of this section, instructions should be obtained from a Federal Reserve Bank or branch or from the Treasury Department, Division of Loans and Currency, Washington 25, D. C.

VII. GENERAL PROVISIONS

1. *Regulations.*—Except as provided in this circular, the notes issued hereunder will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing bonds and notes of the United States; the regulations currently in force are contained in Department Circular No. 300, as amended.

2. *Loss, theft or destruction.*—In case of the loss, theft or destruction of a savings note immediate notice (which should include a full description of the note) should be given the agency which issued the note and instructions should be requested as to the procedure necessary to secure a duplicate.

3. *Fiscal agents.*—Federal Reserve Banks and their branches, as fiscal agents of the United States, are authorized to perform such services or acts as may be appropriate and necessary under the provisions of this circular and under any instructions given by the Secretary of the Treasury, and they may issue interim receipts pending delivery of the definitive notes.

4. *Amendments.*—The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto, and may at any time or from time to time prescribe amendatory rules and regulations governing the offering of the notes, information as to which will promptly be furnished to the Federal Reserve Banks.

JOHN W. SNYDER,
Secretary of the Treasury.

Treasury savings notes, Series D—table of tax-payment or redemption values and investment yields

The table below shows for each month from date of issue to date of maturity the amount of interest accrued; the principal amount with accrued interest added, for notes of each denomination; the approximate investment yield on the par amount from issue date to the beginning of each month following the month of issue; and the approximate investment yield in the current redemption value from the beginning of the month indicated to the month of maturity.

Par value (issue price during month of issue) ...	\$100	\$500	\$1,000	\$5,000	\$10,000	\$100,000	\$500,000	\$1,000,000	Approximate investment yield on par amount from issue date to beginning of each monthly period thereafter	Approximate investment yield on current tax-payment or redemption value from beginning of each monthly period to maturity
Amount of interest accrued each month after month of issue									Percent	Percent
Interest accrues at rate of \$0.80 per month per \$1,000 par amount:										
First month.....	\$100.08	\$500.40	\$1,000.80	\$5,004.00	\$10,008	\$100,080	\$500,400	\$1,000,800	0.96	1.40
Second month.....	100.16	500.80	1,001.60	5,008.00	10,016	100,160	500,800	1,001,600	.96	1.41
Third month.....	100.24	501.20	1,002.40	5,012.00	10,024	100,240	501,200	1,002,400	.96	1.42
Fourth month.....	100.32	501.60	1,003.20	5,016.00	10,032	100,320	501,600	1,003,200	.96	1.43
Fifth month.....	100.40	502.00	1,004.00	5,020.00	10,040	100,400	502,000	1,004,000	.96	1.45
Sixth month.....	100.48	502.40	1,004.80	5,024.00	10,048	100,480	502,400	1,004,800	.96	1.47
Interest accrues at rate of \$1.00 per month per \$1,000 par amount:										
Seventh month.....	100.56	502.80	1,005.60	5,028.00	10,056	100,560	502,800	1,005,600	.99	1.48
Eighth month.....	100.68	503.40	1,006.80	5,034.00	10,068	100,680	503,400	1,006,800	1.02	1.49
Ninth month.....	100.78	503.90	1,007.80	5,039.00	10,078	100,780	503,900	1,007,800	1.04	1.50
Tenth month.....	100.88	504.40	1,008.80	5,044.00	10,088	100,880	504,400	1,008,800	1.05	1.51
Eleventh month.....	100.98	504.90	1,009.80	5,049.00	10,098	100,980	504,900	1,009,800	1.07	1.53
Twelfth month.....	101.08	505.40	1,010.80	5,054.00	10,108	101,080	505,400	1,010,800	1.08	1.54
Interest accrues at rate of \$1.20 per month per \$1,000 par amount:										
Thirteenth month.....	101.20	506.00	1,012.00	5,060.00	10,120	101,200	506,000	1,012,000	1.10	1.55
Fourteenth month.....	101.32	506.60	1,013.20	5,066.00	10,132	101,320	506,600	1,013,200	1.13	1.56
Fifteenth month.....	101.44	507.20	1,014.40	5,072.00	10,144	101,440	507,200	1,014,400	1.15	1.57
Sixteenth month.....	101.56	507.80	1,015.60	5,078.00	10,156	101,560	507,800	1,015,600	1.16	1.58
Seventeenth month.....	101.68	508.40	1,016.80	5,084.00	10,168	101,680	508,400	1,016,800	1.18	1.59
Eighteenth month.....	101.80	509.00	1,018.00	5,090.00	10,180	101,800	509,000	1,018,000	1.19	1.60
Interest accrues at rate of \$1.30 per month per \$1,000 par amount:										
Nineteenth month.....	101.93	509.65	1,019.30	5,096.50	10,193	101,930	509,650	1,019,300	1.21	1.61
Twentieth month.....	102.06	510.30	1,020.60	5,103.00	10,206	102,060	510,300	1,020,600	1.23	1.61
Twenty-first month.....	102.19	510.95	1,021.90	5,109.50	10,219	102,190	510,950	1,021,900	1.24	1.61
Twenty-second month.....	102.32	511.60	1,023.20	5,116.00	10,232	102,320	511,600	1,023,200	1.25	1.62
Twenty-third month.....	102.45	512.25	1,024.50	5,122.50	10,245	102,450	512,250	1,024,500	1.27	1.62
Twenty-fourth month.....	102.58	512.90	1,025.80	5,129.00	10,258	102,580	512,900	1,025,800	1.28	1.63

Interest accrues at rate of \$1.40 per month per \$1,000 par amount:

Twenty-fifth month.....	102.72	513.60	1,027.20	10,272	513,600	1,027,200	1.29	1.63
Twenty-sixth month.....	102.86	514.30	1,028.60	10,286	514,300	1,028,600	1.31	1.63
Twenty-seventh month.....	103.00	515.00	1,030.00	10,300	515,000	1,030,000	1.32	1.63
Twenty-eighth month.....	103.14	515.70	1,031.40	10,314	515,700	1,031,400	1.33	1.63
Twenty-ninth month.....	103.28	516.40	1,032.80	10,328	516,400	1,032,800	1.34	1.63
Thirtieth month.....	103.42	517.10	1,034.20	10,342	517,100	1,034,200	1.35	1.62
Thirty-first month.....	103.56	517.80	1,035.60	10,356	517,800	1,035,600	1.36	1.62
Thirty-second month.....	103.70	518.50	1,037.00	10,370	518,500	1,037,000	1.37	1.62
Thirty-third month.....	103.84	519.20	1,038.40	10,384	519,200	1,038,400	1.37	1.62
Thirty-fourth month.....	103.98	519.90	1,039.80	10,398	519,900	1,039,800	1.38	1.62
Thirty-fifth month.....	104.12	520.60	1,041.20	10,412	520,600	1,041,200	1.39	1.62
Maturity.....	104.26	521.30	1,042.60	10,426	521,300	1,042,600	1.40	-----

! Not acceptable in payment of taxes until during and after the second calendar month after the month of issue, and not redeemable for cash until during and after the fourth calendar month after the month of issue.

! Approximate investment yield for entire period from issuance to maturity.

Exhibit 9.—Fifth amendment, February 21, 1949, to Department Circular No. 530, Sixth Revision, prescribing regulations governing United States savings bonds

TREASURY DEPARTMENT,
Washington, February 21, 1949.

To Owners of United States Savings Bonds and Others Concerned:

Pursuant to section 22 (a) of the Second Liberty Bond Act, as amended (55 Stat. 7, 31 U. S. C. 757c), Department Circular No. 530, Sixth Revision, dated February 13, 1945 (31 CFR 1945 Supp., 315), as amended, sections 315.9 (d) (4), 315.45 (b) (1), and 315.47 (c) (of Subparts C, L, and N, respectively) are hereby further amended to read as follows:

Sec. 315.9 (d) (4). With respect to bonds of Series E, those purchased with the proceeds of matured bonds of Series A, Series C-1938 and D-1939, where such matured bonds are presented by an individual (natural person in his own right) owner or coowner for that purpose and the Series E bonds are registered in his name in any form of registration authorized for that series.

Sec. 315.45 (b) (1). If one of the coowners is married after the issue of the bond, the bond may be reissued in the name of either coowner, alone or with a new coowner or a beneficiary. Requests for reissue under this provision should be made on Form PD 1938.

Sec. 315.47 (c) *Without administration*.—When it appears that no legal representative of the decedent's estate has been or is to be appointed the bond will be paid to or reissued in the name of the person or persons entitled pursuant to an agreement and request by all persons entitled to share in the decedent's estate in accordance with the provisions of the form prescribed by the Treasury Department, which should be duly executed in accordance with the instructions thereon. A short form for settlement without administration (Form PD 1946) is prescribed for cases in which the amount of savings bonds belonging to the decedent's estate is not in excess of \$500 (maturity value). A longer form is prescribed for other cases of settlement without administration. Application for the appropriate form to be used hereunder may be made to any Federal Reserve Bank or to the Treasury Department, Division of Loans and Currency, Merchandise Mart, Chicago 54, Illinois. The applicant should state whether or not the amount of savings bonds belonging to the decedent's estate is in excess of \$500 (maturity value). If any of the persons are minors or incompetents, payment or reissue of the bond will not be permitted without administration, except to them or in their names unless their interests are otherwise protected to the satisfaction of the Secretary of the Treasury.

E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

Exhibit 10.—First amendment, August 6, 1948, to Department Circular No. 793, Revised, prescribing regulations governing armed forces leave bonds

TREASURY DEPARTMENT,
Washington, August 6, 1948.

To Members and Former Members of the Armed Forces of the United States and Others Concerned:

Pursuant to the authority contained in the Armed Forces Leave Act of 1946, as amended (60 Stat. 963, 37 U. S. C. 32-37; 61 Stat. 510; Pub. Law 710, 80th Cong.), and the Second Liberty Bond Act, as amended, section 324.10 and section 324.11 (a) of Department Circular No. 793, Revised, dated August 1, 1947 (31 CFR 1947 Supp., Part 324), are amended and revised to read as follows:

324.10. *Right to payment on death of owner*.—Upon the death of an owner of an armed forces leave bond the bond becomes payable only to his survivors in the following order:

- (a) Surviving wife or husband and children, if any, in equal shares;
- (b) If such owner leaves no surviving spouse or children, then in equal shares to such owner's surviving parents, if any;

(c) If such owner leaves no surviving spouse, child, or parent, then in equal shares to such owner's surviving brothers and sisters, if any;

(d) If such owner leaves no surviving spouse, child, parent, brother, or sister, then in equal shares to the surviving child or children, if any, of such owner's deceased brothers and sisters. If there are no such survivors the bond will be retired and the amount covered into the general fund of the Treasury. Accordingly, payment will not be made to an executor or administrator of the estate of a deceased registered owner, and if a bond should come into the possession of such an executor or administrator, or other person not a survivor, following the death of the owner it should immediately be delivered to one of the survivors, if any; otherwise forwarded to the Division of Loans and Currency, Washington 25, D. C., with a signed statement that there are no known survivors.

324.11. Payment to survivors.—* * *

(a) *Definition of survivors.*—Survivors are defined in the act as follows:

(1) "Spouse" means a lawful wife or husband;

(2) "Children" include

(a) a legitimate child;

(b) a child legally adopted;

(c) a stepchild, if, at the time of death of the member or former member of the armed forces, such stepchild is a member of the deceased's household;

(d) an illegitimate child, but in the case of a male member or former male member of the armed forces only if he has been judicially ordered or decreed to contribute to such child's support; has been judicially decreed to be the putative father of such child; or has acknowledged under oath in writing that he is the father of such child; and

(e) a person to whom the member or former member of the armed forces at the time of death stands in loco parentis and so stood for not less than twelve months prior to the date of death;

(3) "Parent" includes father and mother, grandfather and grandmother, stepfather and stepmother, father and mother through adoption, and persons who, for a period of not less than one year prior to the death of the member or former member of the armed forces, stood in loco parentis to such member or former member: *Provided*, That not more than two parents may receive the benefits provided under this act and preference shall be given to the parent or parents, not exceeding two, who actually exercised parental relationship at the time of or most nearly prior to the date of the death of such member or former member of the armed forces; and

(4) "Brother" and "sister" include brothers and sisters of the half blood as well as those of the whole blood, stepbrothers, and stepsisters, and brothers and sisters through adoption.

JOHN W. SNYDER,
Secretary of the Treasury.

OBLIGATIONS GUARANTEED BY THE UNITED STATES

Exhibit 11.—Partial redemption, before maturity, of 2½ percent war housing insurance fund debentures, Series H (fourth call)

[Department Circular No. 837. Public Debt]

TREASURY DEPARTMENT,
Washington, October 4, 1948.

To Holders of 2½ Percent War Housing Insurance Fund Debentures, Series H

I. NOTICE OF FOURTH CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2½ PERCENT WAR HOUSING INSURANCE FUND DEBENTURES, SERIES H

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2½ percent war housing insurance fund debentures, Series H:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2½ percent war housing insurance fund debentures, Series H, of the denominations and serial numbers designated below, are hereby called for redemption, at

par and accrued interest, on January 1, 1949, on which date interest on such debentures shall cease:

2½ percent war housing insurance fund debentures, Series H

Denomination:	Serial numbers (all numbers inclusive)
\$50-----	689 to 3,018
\$100-----	2,713 to 8,049
\$500-----	782 to 4,015
\$1,000-----	3,662 to 9,073
\$5,000-----	179 to 1,006
\$10,000-----	2,930 to 5,060

"The debentures first issued as determined by the serial numbers were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on and after October 1, 1948. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after October 1, 1948, and provision will be made for the payment of final interest due on January 1, 1949, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from October 1, 1948, to December 31, 1948, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after January 1, 1949, or for purchase prior to that date will be given by the Secretary of the Treasury."

II. TRANSACTIONS IN FOURTH-CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on January 1, 1949, are hereby designated fourth-called 2½ percent war housing insurance fund debentures, Series H, and are hereinafter referred to as fourth-called debentures.

2. Transfers and denominational exchanges in fourth-called debentures will terminate at the close of business on September 30, 1948.

III. REDEMPTION OR PURCHASE

1. Holders of fourth-called debentures will be entitled to have such debentures redeemed and paid at par on January 1, 1949, with interest in full to that date, at the rate of \$12.50 per \$1,000. Interest on fourth-called debentures will cease on January 1, 1949.

2. Holders of fourth-called debentures have the privilege of presenting such debentures at any time from October 1 to December 31, 1948, inclusive, for purchase at par and accrued interest, at the rate of \$0.067935 per \$1,000 per day from July 1, 1948, to date of purchase.

IV. RULES AND REGULATIONS GOVERNING REDEMPTION AND PURCHASE

1. The United States Treasury Department is the agent of the Federal Housing Commissioner for the redemption and purchase of fourth-called debentures. In accordance with regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, the assignment, redemption, and purchase of fourth-called debentures will be governed by the general regulations of the Treasury Department with respect to United States bonds and notes, so far as applicable, except as otherwise provided herein.

2. Fourth-called debentures presented for redemption on January 1, 1949, or for purchase from October 1 to December 31, 1948, inclusive, must be assigned by the registered payee or assignee thereof or by their duly constituted representatives in the form indicated in paragraph 3 of this section, and should thereafter be presented and surrendered to any Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., accompanied by appropriate written advice. (Use Form PD 2174.) The debentures must be delivered at the expense and risk of the holders. (See paragraph 8 of this section.) In all cases checks in payment of principal and final interest will be mailed to the

address given in the form of advice accompanying the debentures when surrendered.

3. If the registered payee or an assignee holding under proper assignment from the registered payee desires that payment be made to him, the debentures should be assigned by such payee or assignee or by a duly constituted representative to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase," according to whether the debentures are to be presented for redemption on January 1, 1949, or for purchase prior to that date. If it is desired for any reason that payment be made to some other person without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or purchase) for the account of -----", inserting the name and address of the person to whom payment is to be made.

4. An assignment in blank or other assignment having similar effect will be recognized, but in that event payment will be made to the person surrendering the debenture for redemption or purchase since, under such an assignment, the debenture becomes in effect payable to bearer. Assignments in blank or assignments having similar effect should be avoided, if possible, in order not to lose the protection afforded by registration.

5. Final interest on any fourth-called debentures, whether purchased prior to or redeemed on or after January 1, 1949, will be paid with the principal in accordance with the assignments on the debentures surrendered.

6. All assignments must be made on the debentures themselves unless otherwise directed by the Treasury Department. Detached assignments will be recognized and accepted in any particular case in which the use of detached assignments is specifically authorized by the Treasury Department. Any assignment not made upon the debenture is considered a detached assignment.

7. A fourth-called debenture registered in the name of, or assigned to, a corporation, will be paid to such corporation on or after January 1, 1949, upon an appropriate assignment for that purpose executed on behalf of the corporation by a duly authorized officer thereof. An assignment so executed and duly attested in accordance with Treasury Department regulations will ordinarily be accepted without proof of the officer's authority. In all cases coming under this provision payment will be made only by check drawn to the order of the corporation. Proof of the authority of the officer assigning on behalf of a corporation will be required, in accordance with the general regulations of the Treasury Department, in the case of assignments for purchase prior to January 1, 1949, and in case of assignments for redemption on or after January 1, 1949, for the account of any person other than the corporation.

8. Debentures presented for redemption or purchase under this circular must be delivered to a Federal Reserve Bank or to the Division of Loans and Currency, Treasury Department, Washington 25, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

9. In order to facilitate the redemption of fourth-called debentures on January 1, 1949, any such debenture may be presented and surrendered in the manner herein prescribed in advance of that date but not before December 1, 1948. Such early presentation by holders will insure prompt payment of principal and interest when due.

V. GENERAL PROVISIONS

1. Any further information which may be desired regarding the redemption of fourth-called debentures under this circular may be obtained from any Federal Reserve Bank or from the Division of Loans and Currency, Treasury Department, Washington 25, D. C., where copies of the Treasury Department's regulations governing assignments may be obtained.

2. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory rules and regulations governing the matters covered by this circular, which will be communicated promptly to the registered owners of fourth-called debentures.

E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

Exhibit 12.—Partial redemption, before maturity, of 2½ percent war housing insurance fund debentures, Series H (fifth call)

(Department Circular No. 845. Public Debt)

TREASURY DEPARTMENT,
Washington, April 5, 1949.*To Holders of 2½ Percent War Housing Insurance Fund Debentures, Series H***I. NOTICE OF FIFTH CALL FOR PARTIAL REDEMPTION, BEFORE MATURITY, OF 2½ PERCENT WAR HOUSING INSURANCE FUND DEBENTURES, SERIES H**

The Federal Housing Commissioner, with the approval of the Secretary of the Treasury, has issued the following notice of call for partial redemption and offer to purchase with respect to 2½ percent war housing insurance fund debentures, Series H:

"Pursuant to the authority conferred by the National Housing Act (48 Stat. 1246; U. S. C., title 12, sec. 1701 et seq.) as amended, public notice is hereby given that 2½ percent war housing insurance fund debentures, Series H, of the denominations and serial numbers designated below, are hereby called for redemption, at par and accrued interest, on July 1, 1949, on which date interest on such debentures shall cease:

2½ percent war housing insurance fund debentures, Series H

Denomination:	Serial numbers (all numbers inclusive)
\$50.....	3,019 to 3,032
\$100.....	8,050 to 8,101
\$500.....	4,016 to 4,035
\$1,000.....	9,074 to 9,129
\$5,000.....	1,009 to 1,023
\$10,000.....	5,061 to 5,101

"The debentures first issued as determined by the serial numbers were selected for redemption by the Commissioner, Federal Housing Administration, with the approval of the Secretary of the Treasury.

"No transfers or denominational exchanges in debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on and after April 1, 1949. This does not affect the right of the holder of a debenture to sell and assign the debenture on or after April 1, 1949, and provision will be made for the payment of final interest due on July 1, 1949, with the principal thereof to the actual owner, as shown by the assignments thereon.

"The Commissioner of the Federal Housing Administration hereby offers to purchase any debentures included in this call at any time from April 1, 1949, to June 30, 1949, inclusive, at par and accrued interest, to date of purchase.

"Instructions for the presentation and surrender of debentures for redemption on or after July 1, 1949, or for purchase prior to that date will be given by the Secretary of the Treasury."

II. TRANSACTIONS IN FIFTH-CALLED DEBENTURES

1. The debentures included in the foregoing notice of call for partial redemption on July 1, 1949, are hereby designated fifth-called 2½ percent war housing insurance fund debentures, Series H, and are hereinafter referred to as fifth-called debentures.

2. Transfers and denominational exchanges in fifth-called debentures will terminate at the close of business on March 31, 1949.

III. REDEMPTION OR PURCHASE

1. Holders of fifth-called debentures will be entitled to have such debentures redeemed and paid at par on July 1, 1949, with interest in full to that date, at the rate of \$12.50 per \$1,000. Interest on fifth-called debentures will cease on July 1, 1949.

2. Holders of fifth-called debentures have the privilege of presenting such debentures at any time from April 1 to June 30, 1949, inclusive, for purchase at par and accrued interest, at the rate of \$0.069061 per \$1,000 per day from January 1, 1949, to date of purchase.

[The rules and regulations governing redemption and purchase (section IV) and the general provisions (section V), omitted here, are, with the exception of the applicable dates, the same as those shown in exhibit 11.]

INTERNATIONAL FINANCIAL AND MONETARY DEVELOPMENTS

Exhibit 13.—Report of activities of the National Advisory Council on International Monetary and Financial Problems, April 1 to September 30, 1948.

[House Document No. 120, 81st Congress, 1st session]

LETTER OF TRANSMITTAL

To the Congress of the United States:

Attached hereto is a report of the National Advisory Council on International Monetary and Financial Problems covering its operations from April 1, 1948, to September 30, 1948, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

Previous reports of the National Advisory Council were transmitted to the Congress on March 1, 1946, March 8, 1946, January 13, 1947, June 26, 1947, January 19, 1948, May 17, 1948, and August 3, 1948, respectively. In addition to the First Special Report on the Operations and Policies of the International Monetary Fund and the International Bank for Reconstruction and Development, submitted on May 17, 1948, previous reports on the participation of the United States in the International Monetary Fund and the International Bank were included in the reports of January 13, 1947, June 26, 1947, January 19, 1948, and August 3, 1948, respectively.

HARRY S. TRUMAN.

THE WHITE HOUSE, *March 14, 1949.*

REPORT OF ACTIVITIES OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS APRIL 1 TO SEPTEMBER 30, 1948**I. ORGANIZATION OF THE COUNCIL****STATUTORY BASIS**

The National Advisory Council on International Monetary and Financial Problems was established by the Congress in the Bretton Woods Agreements Act (59 Stat. 512, 22 U. S. C. 286b), approved July 31, 1945. The statute directed the Council to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund and the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, and all other agencies of the Government "to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions." The Council was also directed to advise and consult with the President and the United States representatives on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank; and to recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and

Bank. The Bretton Woods Agreements Act was amended by section 106 of the Foreign Assistance Act of 1948 (62 Stat. Ch. 169; 22 U. S. C. 286b (a)), approved April 3, 1948, to include the Administrator for Economic Cooperation as a member of the Council for the duration of this office. The Council was also given certain additional duties under the Foreign Assistance Act. The relevant portions of the Bretton Woods Agreements Act and of the Foreign Assistance Act of 1948 are presented in appendix A.*

REPORTS

Since its first meeting on August 21, 1945, the Council has submitted seven formal reports.¹ The present report covers the activities of the Council from April 1, 1948, to September 30, 1948.

MEMBERSHIP

The members of the Council, according to law, during the period under review, were the following:

The Secretary of the Treasury, John W. Snyder, Chairman.

The Secretary of State, George C. Marshall.

The Secretary of Commerce, Charles Sawyer.

The Chairman of the Board of Governors of the Federal Reserve System, Thomas B. McCabe.

The Chairman of the Board of Directors of the Export-Import Bank, William McChesney Martin, Jr.

The Administrator for Economic Cooperation, Paul G. Hoffman.

Three changes in the membership of the Council have occurred since the previous report. Mr. Charles Sawyer succeeded Mr. W. Averell Harriman as Secretary of Commerce, Mr. Thomas B. McCabe succeeded Mr. Marriner S. Eccles as Chairman of the Board of Governors of the Federal Reserve System, and Mr. Paul G. Hoffman, the Administrator for Economic Cooperation, became a member of the Council in accordance with the provisions of the Foreign Assistance Act of 1948.

By agreement, the following served as alternates:

Frank A. Southard, Jr., Special Assistant to the Secretary of the Treasury.

Willard L. Thorp, Assistant Secretary of State for Economic Affairs.

Thomas C. Blaisdell, Jr., Acting Assistant Secretary of Commerce.

M. S. Szymczak, Member of the Board of Governors of the Federal Reserve System.

Herbert E. Gaston, Vice Chairman of the Board of Directors of the Export-Import Bank.

Wayne C. Taylor, Assistant to the Administrator, Economic Cooperation Administration.

C. Dillon Glendinning is the Acting Secretary of the Council.

¹ These reports were transmitted by the President to the Congress on March 1, 1946 (H. Doc. No. 489, 79th Cong., 2d sess.; subsequently included as appendix B to H. Doc. No. 497, 79th Cong., 2d sess.), March 8, 1946 (H. Doc. No. 497, 79th Cong., 2d sess.), January 13, 1947 (H. Doc. No. 53, 80th Cong., 1st sess.), June 26, 1947 (H. Doc. No. 365, 80th Cong., 1st sess.), January 19, 1948 (H. Doc. No. 501, 80th Cong., 2d sess.), May 17, 1948 (H. Doc. No. 656, 80th Cong., 2d sess.), and August 3, 1948 (H. Doc. No. 737, 80th Cong., 2d sess.).

*Appendixes omitted in this exhibit.

The United States Executive Directors on the International Monetary Fund, Andrew N. Overby, and on the International Bank for Reconstruction and Development, Eugene R. Black, or their alternates Henry J. Tasca and John S. Hooker, respectively, regularly attended the meetings of the Council.

PROCEDURE

The Council ordinarily meets each week and holds such special meetings as are required. In discharging its functions, the Council makes use of the services of the personnel of its member agencies. Its Staff Committee consists of technical representatives of member agencies and a representative of the Securities and Exchange Commission. The Alternate United States Executive Directors on the International Monetary Fund and the International Bank generally attend meetings of the Staff Committee. The Staff Committee collects and analyzes information and prepares reports and recommendations for the Council. This procedure has enabled the Council to maintain, in the most efficient manner, the close interagency liaison necessary for successful performance of its coordinating functions. Secretariat functions are performed by personnel of the Treasury Department.

II. UNITED STATES POSTWAR FOREIGN ASSISTANCE ²

The changing pattern of international financial developments has required the Council constantly to review and coordinate the policies of the various United States Government agencies operating in the foreign financial field. Through congressional authorizations and appropriations, the United States Government made available,³ from July 1, 1945, to June 30, 1948, a grand total of 26.2 billion dollars for the purpose of extending financial assistance to nations throughout the world. As of June 30, 1948, approximately two-thirds of this sum had been utilized, leaving an unutilized balance of 9.0 billion dollars. This latter amount consisted primarily of slightly more than 5.0 billion dollars appropriated and authorized for the Economic Cooperation Administration, 1.3 billion dollars of unutilized loanable funds of the Export-Import Bank of Washington, and 1.5 billion dollars of funds for government and relief in occupied areas under the administration of the National Military Establishment. It was the intent of the Congress that the major part of these unutilized funds be available for expenditure after June 30, 1948.

The rate at which funds for foreign assistance were utilized was fairly steady throughout the 3-year period, except for a peak of utilized grants and credits of 3.6 billion dollars reached during the

² A detailed break-down of the statistical information referred to in this section is given in appendixes C and D. This information has been prepared for the Council by the Clearing Office for Foreign Transactions, Office of Business Economics, Department of Commerce, in consultation with the International Statistics Division of the Office of International Finance, Treasury Department. Charts are also based upon these appendixes. [Appendixes and charts omitted in this exhibit.]

³ The total available in the period represents the amount *utilized* in the period plus the *unutilized* balances at the end of the period. In general, the term *utilized* as referred to in this report is comparable to disbursements, shipments or deliveries, while *unutilized* balance refers to a congressional authorization or appropriation that has not yet been expended. Thus as of June 30, 1948, part of the *unutilized* funds were committed or obligated but not expended. Because of variations in the financial reporting procedures of the various Government agencies handling foreign aid, the general terms *utilized* and *unutilized* have been adopted to designate a stage of distribution that is somewhat comparable from agency to agency. For further definitions of these terms, see the explanatory notes to appendix C [omitted in this exhibit].

latter half of fiscal 1947. Assistance on a credit or loan basis tended to increase moderately up to July 1947, and then to decrease during fiscal 1948. After January 1948, aid was preponderantly in the form of grants. The changing nature of assistance rendered may be ascribed to the types of aid programs in effect. For example, the United States contribution to the United Nations Relief and Rehabilitation Administration in the first postwar year, fiscal 1946, was entirely on a grant basis. The second postwar year, fiscal 1947, witnessed drawings of over 2.0 billion dollars by the United Kingdom on the 3.75 billion dollar line of credit extended by the United States. In the third postwar year, fiscal 1948, United States aid was increased through the adoption of such measures as interim aid and the Foreign Assistance Act of 1948, which were primarily on a grant basis.

AGENCIES ADMINISTERING POSTWAR FOREIGN AID

The Congress has designated various agencies for the administration of postwar assistance. The agencies extending loans and credits have included the Export-Import Bank, the Office of Foreign Liquidation Commissioner, the Treasury Department, the Reconstruction Finance Corporation, the War Assets Administration, and the United States Maritime Commission. Some of these agencies were newly created for specific programs, while others, under increased authority, carried out functions of the type with which they had had previous experience. Thus, the Office of Foreign Liquidation Commissioner and the War Assets Administration were especially created to deal with problems of surplus property arising from the war effort. On the other hand, the Export-Import Bank and the Reconstruction Finance Corporation had previously been engaged in activities somewhat similar to their postwar operations, and the lending authority of the Export-Import Bank was substantially increased. The Treasury Department's administration of the Anglo-American Financial Agreement was directed by statute. Under the Merchant Ship Sales Act of 1946 the United States Maritime Commission was authorized, with certain limitations, to sell war-built vessels to foreign purchasers on credit terms. This authority expired March 1, 1948.

Grant assistance was provided through the United Nations Relief and Rehabilitation Administration and, in addition, assistance on terms of repayment to be determined by later peace settlements (classified as grants for purpose of statistical summary), was extended

by the National Military Establishment as an incident to military occupation.

In 1948 the Economic Cooperation Administration was established to administer a more general program of economic assistance.

GEOGRAPHICAL DISTRIBUTION OF ASSISTANCE

Charts 2 and 3* show, for grants and credits, respectively, the dollar amount of total United States postwar foreign assistance through June 30, 1948, by recipient area. These charts high light the differences in the grant and credit programs, showing that grant programs were concentrated on Asia and European Recovery Program countries other than the United Kingdom, while the largest single recipient of loan aid was the United Kingdom, primarily under the Anglo-American Financial Agreement. Of the 4.5 billion dollars classified in chart 2* as *Unallocated and Miscellaneous*, 3.3 billion dollars consisted of European Recovery Program funds, expected ultimately to be utilized for the benefit of European Recovery Program countries, including the United Kingdom. As of June 30, 1948, however, these funds had not been allocated to specific recipient countries.

Of the grand total of 26.2 billion dollars made available for foreign assistance, more than two-thirds was designated for those nations which became participants in the European Recovery Program. Principal beneficiaries were the United Kingdom, France, western Germany, and Italy. Assistance to European countries outside of what is now construed as ERP Europe was provided on a smaller scale, and mainly as a result of relief and other grants such as the original UNRRA program.

The total of 4.5 billion dollars in United States aid made available to Asia between July 1945 and June 1948 was mainly to Japan and southern Korea under the military program of relief for occupied areas, and to China under post-VJ-day lend-lease aid and other grants. There were, however, property credits and loans to Asiatic countries, totaling \$808,000,000. Aid to other areas included \$473,000,000 to Latin America, \$41,000,000 to Africa, and about \$12,000,000 to Australia and New Zealand.

The following table shows, by country, the utilization of United States Government foreign assistance from July 1, 1945, to June 30, 1948, unutilized commitments on June 30, 1948, and ECA additional allotments as of September 30, 1948:

* Omitted in this exhibit.

TABLE I.—*U. S. Government foreign assistance, July 1, 1945, to June 30, 1948, by major countries in each area*

[In millions of dollars]

Country	Total	Utilized	Unutilized	
			Commitments June 30, 1948	ECA Additional Allotments Sept. 30, 1948
ERP Europe:				
United Kingdom.....	5,958	4,790	159	1,009
France.....	3,374	2,381	233	760
Germany (western).....	2,467	1,264	827	376
Italy.....	1,868	1,239	194	435
Greece.....	942	664	148	130
Netherlands.....	759	327	64	368
Austria.....	580	342	61	177
Belgium-Luxembourg.....	356	243	-----	113
Other ERP.....	584	148	194	242
Other Europe:				
U. S. S. R.....	465	462	3	-----
Poland.....	443	439	4	-----
Yugoslavia.....	299	299	-----	-----
Czechoslovakia.....	213	213	-----	-----
Other non-ERP.....	163	141	22	-----
Asia:				
China.....	1,898	1,474	424	-----
Japan.....	1,609	1,017	592	-----
Philippines.....	507	267	240	-----
Korea (southern).....	307	171	136	-----
Other Asia.....	218	123	95	-----
Western Hemisphere:				
Latin America.....	473	283	190	-----
Canada.....	300	140	160	-----

NOTE.—Table does not include ECA funds which were unallocable by country on Sept. 30, 1948, nor other agency funds unallocable by country on June 30, 1948.

FOREIGN GOLD AND SHORT-TERM DOLLAR RESOURCES

Chart 5* indicates the changes in gold and short-term dollar assets of foreign countries between June 30, 1945, and June 30, 1948, according to geographical areas. Assistance from the United States Government in the postwar period was accompanied by utilization by foreign countries of a substantial part of their gold and dollar resources. Practically all major foreign countries, with the exception of Switzerland, suffered declines of varying magnitudes in their monetary resources. On June 30, 1945, gold and dollar reserves owned by all foreign countries (excluding the Union of Soviet Socialist Republics) totaled approximately 20 billion dollars, while 3 years later, on June 30, 1948, these reserves had fallen to 14.6 billion dollars, a decline of

* Omitted in this exhibit.

slightly more than 27 percent (see appendix B, table 1*). For the countries included in the European Recovery Program, the relative loss was even greater—from 10.6 billion dollars in 1945 to 7.5 billion dollars in 1948.

As a result of this depletion, by June 1948 many of the countries of the world had insufficient gold and dollars to maintain working balances in foreign exchange and adequate monetary reserves.

TABLE II.—*Estimated gold and short-term dollar balances, by geographical area, annually, 1945-48*

[In millions of dollars]

Area	June 30—			
	1945	1946	1947	1948
ERP Europe ¹	7,519	6,889	5,619	5,029
British Commonwealth ²	5,657	5,922	4,952	4,109
Latin America.....	3,677	3,891	3,331	2,876
Asia ³	2,050	2,114	1,680	1,513

¹ Excludes sterling area countries and Indonesia, but includes dependencies of ERP countries other than the Netherlands.

² Includes all sterling area countries.

³ Excludes sterling area countries.

TABLE III.—*Estimated gold and short-term dollar balances held by ERP countries ¹ and the British Commonwealth, as of June 30, 1945, and June 30, 1948*

[In millions of dollars]

Country or area	June 30—		Change	
	1945	1948	Dollar	Percent
Sweden.....	648	123	-525	-81.0
France.....	2,351	784	-1,567	-66.7
Netherlands.....	673	359	-314	-46.7
<i>British Commonwealth</i> ²	2,934	1,842	-1,092	-37.2
Canada.....	1,613	943	-670	-41.6
South Africa.....	884	382	-502	-56.8
Other.....	437	517	+80	+18.3
Portugal.....	461	302	-159	-34.5
United Kingdom.....	2,723	2,267	-456	-16.7
Belgium and Luxembourg.....	925	803	-122	-13.2
Other ERP ³	821	803	-18	-2.2
Switzerland.....	1,640	1,855	+215	+13.1

¹ Includes dependencies of ERP countries, except for Indonesia.

² Excludes the United Kingdom, for which data are shown separately.

³ Includes ERP countries each holding less than \$400,000,000 in gold and dollar balances on June 30, 1945, except for Iceland and Ireland, which are included in the British Commonwealth.

* Omitted in this exhibit.

FOREIGN AID AND THE UNITED STATES BALANCE OF PAYMENTS

TABLE IV.—*Foreign aid in the United States balance of payments, July 1, 1945, to June 30, 1948, by semiannual periods*

[In millions of dollars]

Items	1945	1946		1947		1948
	July-December ¹	January-June	July-December	January-June	July-December	January-June
Total Exports.....	7,200	7,401	7,565	10,093	9,648	8,665
<i>Means of financing:</i>						
Total imports.....	4,143	3,416	3,751	4,171	4,292	5,087
U. S. Government aid (net) ²	3,628	2,681	2,372	3,293	2,419	2,149
Liquidation of foreign gold and dollars.....	¹ -1,078	816	1,152	2,341	2,173	920
Miscellaneous.....	507	488	290	288	764	509

¹ The means of financing shown for the period July through December 1945 exceed exports by \$1,078,000,000, which represents the net foreign acquisition of dollar assets and purchases of gold from the United States.

² Figures for U. S. Government foreign aid (net) presented in this table and in chart 6 differ somewhat from those in chart 1 for the following reasons [charts omitted in this exhibit]:

(a) Aid shown in table IV is net of unilateral transfers to the United States, repayments, etc., whereas gross data appear in chart 1.

(b) Pensions, annuities, claims of individuals, etc., are included in this calculation of net aid, but are excluded in chart 1.

(c) Included in the calculation of net aid are lend-lease shipments and merchant ship deliveries, whereas aid appearing in chart 1 is based on lend-lease billings and mortgages signed, both of which lag. As a result of these lags, net aid figures reported for the earlier period in table IV exceed those appearing in chart 1.

As indicated in chart 6, * foreign countries had a demand for American goods needed for the postwar reconstruction of their economies far in excess of their ability to pay on the basis of their current sales of goods and services to the American economy. As previously pointed out, to a considerable extent they attempted to meet their deficit on current account by the liquidation of gold and dollar balances in the United States. This depletion was approaching a point at which the financial situation of some countries was critical. At this juncture, the aid provided by the United States became an important factor in relieving international financial stress and in assisting recovery in levels of production and in standards of living.

*Omitted in this exhibit.

III. ACTIVITIES OF THE COUNCIL FROM APRIL 1, 1948, TO SEPTEMBER 30, 1948 (OTHER THAN THOSE RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK)

EUROPEAN RECOVERY PROGRAM

Financial status of the European Recovery Program

The Congress appropriated on June 28, 1948, a total of \$6,030-710,228 for foreign assistance (62 Stat. 512, 22 U. S. C. A. 1501). The specific appropriations were as follows:

Total Appropriated -----	\$6, 030, 710, 228
European Recovery Program-----	4, 000, 000, 000
National Military Establishment (government and relief in occupied areas)-----	1, 300, 000, 000
Assistance to—	
China-----	400, 000, 000
Economic-----	(275, 000, 000)
Military-----	(125, 000, 000)
Greece and Turkey (military aid)-----	225, 000, 000
International—	
Refugee Organization-----	70, 710, 228
Children's Emergency Fund-----	35, 000, 000

In addition to the 4.0 billion dollars appropriated to carry out the provisions of the Economic Cooperation Act, there was also made available the sum of 1 billion dollars to be provided out of public debt transactions for the purpose of making loans and guaranties, of which a maximum of 300 million dollars could be used for guaranties. The appropriation act provided that the entire amount could be obligated and expended during the period ending April 2, 1949, if the President, after recommendation by the Administrator, deemed such action necessary to carry out the purposes of the act.⁴ Thus, the total amount of funds which may be utilized under the Foreign Assistance Act of 1948 and the related appropriation act is \$7,030,710,228. This section of the report, however, will deal only with the amounts made available for economic recovery in Europe.

For the first 6 months of operations, from April through September 1948, the Economic Cooperation Administration had allotted assistance to European Recovery Program countries totaling 4.3 billion dollars, while actual procurement authorizations amounted to 1.9 billion dollars (table V). The allotments represented amounts that the foreign countries had been informed they could use during the period, while the authorizations represented the obligations incurred by the Economic Cooperation Administration for the procurement of supplies and services. Since it was contemplated that commitments under the European Recovery Program would total 5 billion dollars for the first 12 to 15 months of operations, the rate of progress in extending assistance for the half-year was comparatively close to that envisaged

⁴ On November 26, 1948, the President authorized the Economic Cooperation Administration to use the full amount of its appropriation in the 12 months ending April 2, 1949.

in the Foreign Assistance Act of 1948. In view of the time lag between procurement authorizations and actual delivery of goods to recipient countries, the major expenditure of appropriated and authorized funds for assistance during the first European Recovery Program period will occur after October 1, 1948. The following table indicates that the chief recipients of aid are the United Kingdom, France, Italy, western Germany, and the Netherlands—the allotment totals for these countries amounting to 3.6 billion dollars out of a total of 4.3 billion dollars:

TABLE V.—*Distribution of ECA allotments and procurement authorizations, as of Sept. 30, 1948*

[In millions of dollars]

Country	Total Allotments	Procurement Authorizations
Total	4,346.6	1,930.3
United Kingdom.....	1,235.0	447.9
France.....	966.0	473.5
Italy.....	541.0	257.9
Germany (western).....	440.3	260.3
Netherlands.....	411.0	172.8
Austria.....	216.0	114.6
Greece.....	162.0	91.3
Belgium and Luxembourg.....	113.0	21.8
Denmark.....	87.0	43.2
Norway.....	72.0	38.4
Ireland.....	60.0	-----
Trieste.....	17.0	6.3
Sweden.....	10.0	-----
Turkey.....	10.0	-----
Iceland.....	6.3	2.3

Loans and grants

Under the Economic Cooperation Act of 1948, 1 billion dollars of total European Recovery Program aid was made available solely for loans and guaranties. The remaining 4 billion dollars of European aid may be utilized for either grants or loans as the Administrator for Economic Cooperation deems appropriate, acting in consultation with the Council. Determination as to whether assistance shall be through grants or upon terms of payment—

... shall depend upon the character and purpose of the assistance and upon whether there is reasonable assurance of repayment considering the capacity of such country to make such payments without jeopardizing the accomplishments of the purposes of this title (62 Stat. 1054).

Allocation of loans to specific countries

In allocating funds for loans for the first year's program, it was essential to appraise not only the current positions of the several European countries but also their prospects under the recovery program and later. The extent of physical destruction and disturbance of their economic systems as a result of the war varied substantially from country to country. Moreover, a few countries, such as the United Kingdom and France, had already contracted heavy foreign

indebtedness in connection with their reconstruction efforts. It was thus necessary, for the first year, to weigh carefully a wide range of factors in arriving at an over-all judgment as to the allocation of loans among the countries.

For the first year it was determined that only Portugal and Switzerland were in a position to pay cash for their imports of goods and services and that Iceland, Ireland, Sweden, and Turkey should receive their initial allocations entirely on a loan basis. In the cases of Austria and Greece, it was decided that United States assistance should be entirely on a grant basis. For most of the remaining countries, it was agreed that, for the first year, aid should be primarily on a grant basis but that some portion of the assistance should be on a loan basis. With respect to the Free Territory of Trieste, it appeared desirable, until the situation was clarified, to treat any assistance as a grant. Finally, it was believed that assistance to Germany should be subject to such terms of payment as may be determined by the peace settlement.

In accordance with the general principles indicated above, the contemplated loan program as of September 30, 1948, for the first 9 months of the European Recovery Program, was as follows:

TABLE VI.—*Contemplated loan program under the Economic Cooperation Act of 1948, as of Sept. 30, 1948*

[In millions of dollars]

	<i>Amount</i>
Total Loans -----	837.3
United Kingdom-----	310.0
France-----	170.0
Netherlands (including Indonesia)-----	95.0
Ireland-----	60.0
Belgium and Luxembourg-----	50.0
Italy-----	50.0
Norway-----	35.0
Turkey-----	30.0
Denmark-----	25.0
Sweden-----	10.0
Iceland-----	2.3

Because of the time required to prepare and approve the bilateral agreements with the participating countries and to negotiate details of the loan agreements, no loan agreements had been completed as of September 30, 1948, with the exception of a loan to Iceland. However, at that date, tentative agreement had been reached with various other participating countries. The terms of the loan of \$2,300,000 to Iceland were subject to revision in the light of the terms of payment to be negotiated with the other countries.

Terms of payment on ECA loans

The Administrator for Economic Cooperation, in accordance with the act of 1948, requested the advice of the Council as to the terms of payment on loans to participating countries. In giving its advice, the Council took into consideration the terms of lend-lease settlements, war-account settlement arrangements, Export-Import Bank loans, the

Anglo-American Financial Agreement, Office of Foreign Liquidation Commissioner credits, the Reconstruction Finance Corporation loan to the Philippines, War Assets Administration credits, and loans by the International Bank. Important aspects of terms and conditions of loans include the interest rate, maturities, a "period of grace" for interest payments and/or amortization of principal, and the possibility of a postponement provision.

Since the decision on how to allocate aid as between loans and grants takes account of the differences in the ability of various countries to repay loans, the terms of payment have been placed on a uniform basis among the borrowing countries, except for some variation in the schedules of amortization.

The Council was in agreement that the rate of interest should be sufficient to cover the cost of money to the United States Government. In view of the broad purpose of the ECA loans, as part of a program directed toward the long-term economic recovery of Europe, the Council considered that the loans should have relatively long maturities and low interest rates, so that some portion of the total ECA aid could be placed on a loan basis without imposing an undue annual burden on the borrowers' balances of payments. The Council considered that a 35-year maturity and 2½-percent interest rate would be appropriate for loans made during the first year of the program.

The Council felt that there should be a period, probably extending beyond the end of the proposed European Recovery Program, during which no payments on principal would be required, in order to allow the recipient countries to make adjustments necessary to enable them to begin repaying the loans. The Council therefore recommended that there should be no amortization of principal for a minimum period through June 1952 and a maximum period through June 30, 1956. The Council further recommended that no interest be charged for the period through June 30, 1952. It also was of the opinion that provision might be made in the loan contracts for consultation, between the United States Government and the individual borrowers during periods of unusual economic stringency, with a view to possible postponement of dollar payment and the acceptance of local currency.

Local currency accounts

The Foreign Assistance Act requires that all countries receiving assistance in the form of dollar grants make special deposits in local currency commensurate in amount to the grants received. These funds may be held or used, by agreement between the participating country and the United States, for purposes of internal monetary and financial stabilization, stimulation of productive activity, exploration for and development of new sources of wealth and for such other expenditures as may be consistent with the purposes of the Economic Cooperation Act, including local currency administrative expenditures of the United States incident to operations under the act.⁵

Local currency receipts under the European Recovery Program in many countries have been of sizable magnitude relative to government receipts and expenditures and the total money supply. The proper utilization of these funds may contribute to the achievement

⁵ The appropriation act specifies that not less than 5 percent of each special local currency account shall be allocated to the use of the U. S. Government for expenditure for strategic materials where available, or for other local currency requirements of the United States.

of a sound fiscal policy and may also finance needed investments. The use of the local currency counterpart funds is, however, only one factor in bringing about improvement in European finances and must be supplemented by other fiscal and monetary measures.

The sale within any participating country of commodities provided under the assistance program has an initial counterinflationary effect. This counterinflationary effect may be maintained through the local currency counterpart as long as the funds are immobilized or are used, under certain circumstances, for a permanent net retirement of the government debt. However, immobilization of local currency counterpart funds or their use for debt retirement are not in themselves sufficient to assure sound fiscal policy. The beneficial effects can be offset by additional borrowing by the government. Such uses of counterpart funds are not substitutes for fundamental reforms which may be required to achieve lasting stability.

Although the use of counterpart funds for investment projects tends generally to offset the immediate counterinflationary effect of the deposit, such use in selected fields can nevertheless contribute to European recovery where it results in increased productive capacity and more effective utilization of the labor force.

The Council has recommended to the Administrator that counterpart funds be released for debt retirement and for investment purposes only where the governments concerned have recommended such releases in conjunction with a financial program aimed at the achievement of internal monetary and financial stability. In several instances it has been necessary for the Council to recommend approval of these releases at the outset of a program of reforms. But it has recommended that subsequent releases be made contingent upon a demonstration of effective implementation of the reform measures.

The Council took the position, consistent with the act, that local currency proceeds might also be used to facilitate intra-European trade and payments within the arrangements proposed by the participating countries, designed to facilitate and expand intra-European trade on a multilateral basis.

In the period under review the Council took action with regard to releases of counterpart funds in the following countries:

France

In September 1948 the French Government requested United States agreement to periodic releases of the local currency counterpart funds to assist in undertaking a newly announced economic and financial program. The Council offered no objection to the Administrator's giving assurance that, if the economic and financial program proposed by the French Government were adopted, the United States Government would be favorably disposed to the release of appropriate amounts of counterpart funds in successive installments and with adequate safeguards. However, it was recommended that future releases of such funds should depend upon an evaluation of progress in the accomplishments of the new French financial program.

During September 1948 agreement was subsequently reached between the United States and French Governments on the release of 45 billion francs of counterpart funds (approximately \$150,000,000), to assist in financing a long-term program of investment and reequip-

ment, chiefly for the expansion of public-utility and transportation facilities.

United Kingdom

It has been the policy in the United Kingdom to use local currency receipts from foreign aid to retire the public debt. Since the United Kingdom had recently operated on a balanced budget the Council considered that this would be a desirable use of counterpart funds.

Greece

In June 1948 the Greek Government, with the concurrence of the United States mission, requested permission to use the local currency counterpart funds for the purpose of meeting a serious budgetary deficit and to provide means to undertake programs of reconstruction and rehabilitation.

The Council recommended that if the monetary and stabilization undertakings of the Greek Government were carried out in substance, the Economic Cooperation Administration consider favorably the release of appropriate portions of the counterpart funds for the following purposes: to supplement private Greek capital in financing capital imports; for a refugee, public health and welfare program; and for a reconstruction and rehabilitation program designed to stabilize the level of incomes and prices. However, the Council advised that the amount and timing of the expenditures, particularly for the reconstruction program, should be determined in the light of current inflationary developments.

Trieste

The Council expressed the opinion that the local currency counterpart should be used in connection with a program of expenditures to stimulate productive activity, particularly in those key industries in the Allied zone whose economic recovery would contribute to the economic recovery of western Europe.

Plans to facilitate intra-European trade

Postwar trade among European countries has been carried on in terms of a network of bilateral payments and clearing agreements, which resulted, in part, from the inconvertibility of currencies and the relatively small amount of dollars and gold available for the settlement of international balances. These agreements characteristically provided for the clearing of transactions between the central banks of the countries concerned, and for the mutual extension of certain credit lines to cover net balances resulting from transactions. As this system developed, some countries found themselves generally in the position of creditors on payments account, while others were consistently debtors. The exhaustion of credit margins and the necessity of settlement of accounts with dollars or gold has, from time to time, imposed serious strains on the continuance or expansion of intra-European trade.

To deal with this problem, various plans were suggested and given limited trial. It was found that one of the basic difficulties was that the countries with a surplus on current account were unable or unwilling to extend further credits against payment in inconvertible currencies, which could not readily be used to secure necessary goods.

After a limited experiment based entirely upon the use of European currencies, an arrangement which in practice proved inadequate, it was proposed that the aid provided to Europe by the United States should be used to facilitate the operation of the payments mechanism for intra-European trade.

The Council considered this proposal and advised the Administrator for Economic Cooperation to agree to a mechanism whereby part of the dollar aid made available to Europe would be extended as "conditional aid," i. e., a country receiving this aid would make available to other European countries an equivalent amount of its own currency to finance adverse balances. Total dollar aid to western Europe is not increased by this scheme, since a portion of the dollars supplied to assist the participating countries in covering their dollar deficits is simply provided on the condition that the receivers will make equivalent credits in their own currencies available to other participants. The Council, in giving its approval to this proposal, called the attention of the Administrator to certain conditions which indicated that the proposal would not of itself be an entirely adequate method of dealing with the European trade problem. Thus it emphasized the desirability of funding by the participating countries of the outstanding clearing debts and the extension of additional credits to each other as part of a program of facilitating European recovery. Moreover, it believed that any plan for facilitating intra-European trade and payments should contain provision for making steady progress toward complete self-financing of such trade.

Conversion or exchange rates in the ECA program

The Administrator requested the Council's advice on the proper conversion rates to be used for determining the local currency equivalent of United States grants to participating countries and the rates to be used in administering the guaranty provisions.

In accordance with the bilateral agreements, the rates to be used in computing the local currency equivalent of grants were to be determined by the United States in agreement with the country concerned. The Council recommended that these rates should be the par value of the currency where the country had a par value agreed by the International Monetary Fund. For other countries receiving grants, special formulas were used, in view of the complexities of their exchange systems.

The Administrator for Economic Cooperation is authorized by section 111 (b) (3) of the Economic Cooperation Act to guarantee the conversion into dollars of the income of approved new investments in the participating countries, or of the proceeds of the amortization or liquidation of such investments. The guaranty to any person, according to the act, shall not exceed the amount of dollars invested, with the approval of the Administrator, in the project. The Council recommended that guaranty contracts should call for payments only when transfers into dollars, through legal channels, were blocked. Where the country has a unitary system of exchange rates based upon an agreed par value, the rate for purposes of the guaranty should be the selling rate for United States dollars. In other cases the Council recommended formulas which took into consideration the rates applicable to transfers of income and capital at the time prior to blocking.

It was agreed that in the application of the formulas there should be consultation with the Secretary of the Treasury and, in appropriate cases, with the National Advisory Council.

ASSISTANCE FOR ASIA

China

The Foreign Assistance Act of 1948 provides, under title IV, for aid to China. The act states that the assistance extended shall be subject to the applicable provisions of the Economic Cooperation Act of 1948.

The Council recommended to the Economic Cooperation Administration, on the basis of a study of China's capacity to repay, that all aid to China, with the exception of assistance to finance reconstruction projects, be on a grant basis, and advised that consideration would be given to the basis for the extension of aid to finance reconstruction projects when the nature of the projects became known. In view of the rapid inflation in China, the Council recommended the use of certain special arrangements regarding local currency deposits.

Japan, Korea, and Ryukyu Islands

During the period under survey the Council reviewed a request for appropriations, prepared by the Department of the Army, to be used for the economic recovery of Japan, Korea, and the Ryukyu Islands. Japan's economic position has changed considerably, viewed against the backdrop of the prewar period. Once able to balance its foreign trade, Japan now has lost its preferred position in markets which formerly constituted the yen bloc, and no longer has access to sources of cheap raw materials and food. Investment income has disappeared with the vesting, by allied and other countries, of Japan's external assets; earnings of the merchant marine, reduced to about one-fifth of its peak size, cover but a small fraction of Japan's huge trade deficit. These developments, together with the sharp postwar inflation, were considered by the Council, which determined that a recovery program would be appropriate, but expressed the opinion that this program should be accompanied by measures which would achieve internal economic stability and effectively enforce the economic controls necessary thereto.

With respect to Korea and the Ryukyu Islands, the Council, taking note of the especially serious internal obstacles to recovery within the two areas and of the relief character of a substantial portion of the commodities to be purchased, offered no objection to the requested appropriation, in view of the special responsibilities of the United States Government in the two areas.

Consistently with the purposes of the Foreign Assistance Act of 1948, the Congress appropriated funds for economic rehabilitation programs in Japan, South Korea, and the Ryukyu Islands.

EXPORT-IMPORT BANK CREDITS

During the period under review the Council continued to work closely with the Export-Import Bank to facilitate coordination of the Bank's policies with those of other agencies concerned with foreign lending. New credits authorized by the Bank during this period totaled \$60,300,000.

Cotton credit to Japan

The Export-Import Bank referred to the Council a proposal for credits to be participated in by the Bank and American commercial banks to finance the purchase of United States cotton for manufacture in Japan. Previously, the Department of the Army had requested that the Council consider the terms of this proposed credit. The proposal provided for credits to run for not more than 10 months, to mature not later than December 31, 1949, and not to exceed \$60,000,000 outstanding at any time. These credits would be apportioned among the Export-Import Bank and four American commercial banks, a maximum of \$29,000,000 to be loaned by the Export-Import Bank and the remainder by commercial banks. Interest charges on such credits would vary between $2\frac{3}{4}$ and $3\frac{1}{2}$ percent and there would be a commission charge of one-fourth of 1 percent of the face amount of letters of credit to be issued by commercial banks under the proposed plan. Ultimate security for the advances would consist of that amount of gold and silver held by the Supreme Commander for the Allied Powers, which was in excess of gold and silver restitution claims against Japan.

The Council offered no objection to consideration by the Export-Import Bank of this credit. Prior to September 30, 1948, the Export-Import Bank's participation was reduced to a total of \$26,000,000, increasing the commercial banks' participation to \$34,000,000.

Aircraft credits to Swedish Airlines

An application of Douglas Aircraft Corp. to the Export-Import Bank for assistance in financing the export sale of aircraft to the Swedish Airlines was referred to the Council. The Bank was asked to participate to the extent of \$2,125,000 with private commercial banks and the Douglas Corp. It was expected that private banks would participate in the amount of \$675,000, with the Douglas Corp. taking the remaining portion in the amount of \$500,000. The total financing amounted to \$3,300,000.

The Council had previously approved, in July 1946 and February 1948, consideration by the Export-Import Bank of credits aggregating not more than \$27,000,000 for financing the purchase of United States air transportation equipment where private credit for that purpose was not available. The further increase of \$2,125,000 was approved by the Council in June 1948.

Reconstruction loan to Colombia

During the Inter-American Conference held in Bogotá, a serious outbreak by revolutionary forces caused considerable destruction in the city. The American delegation in Bogotá transmitted to Washington a request that financial aid be extended to Colombia in order to provide for reconstruction. The Council was advised of this request and in April 1948 approved consideration by the Export-Import Bank of a \$10,000,000 loan to Colombia for the reconstruction of Bogotá.

Cotton credit to Finland

The Export-Import Bank brought to the attention of the Council an application by the Government of Finland for a 15-month credit of \$5,000,000 with a rate of interest of $2\frac{1}{2}$ percent per annum to finance

the purchase of raw cotton in the United States. The Export-Import Bank, with the approval of the Council, had earmarked \$100,000,000 for the extension of cotton credits to European countries. Because the proposed credit, in addition to outstanding credits, was within the earmarked \$100,000,000 the Council did not consider that specific action was necessary on this proposal, and did not object to the contemplated extension of the credit.

Proposal to increase lending authority of the Export-Import Bank

Proposals for the creation of an Inter-American Bank were considered by the United States Government during the early part of 1948, and these proposals were presented to the Council. The Council was of the view that existing financial organizations, such as the Export-Import Bank and the International Bank, were appropriate to handle both short- and long-term foreign loan applications presented by Latin American countries, but, in view of the relatively small uncommitted resources of the Export-Import Bank at that time, the Council approved the introduction of legislation in the Congress to increase the lending authority of the Export-Import Bank by \$500,000,000. Hearings were held, but legislation had not been enacted as of the date of this report.

As of September 30, 1948, the resources of the Export-Import Bank were distributed as follows:

Total Lending Authority	\$3, 500, 000, 000
Loans outstanding.....	2, 100, 600, 000
Undisbursed commitments.....	566, 900, 000
Uncommitted lending authority.....	832, 500, 000

The following table shows the distribution of net credits authorized by country and object of financing:

TABLE VII.—*Net credits authorized by the Export-Import Bank,¹ July 1, 1945, to Sept. 30, 1948*

[In millions of dollars]

Area and country	Total	Reconstruction	Development	Lend-Lease Requisitions	Cotton Purchases ²	Other
Total, All Areas	2, 618. 6	1, 008. 6	775. 1	655. 0	159. 0	20. 9
Total, Europe	1, 996. 3	971. 9	251. 0	655. 0	100. 0	18. 4
France.....	1, 200. 0	650. 0		550. 0		
Netherlands.....	205. 3	³ 152. 2	3. 1	50. 0		
Belgium.....	132. 0	45. 0	³ 32. 0	55. 0		
Italy.....	131. 8		101. 9		25. 0	⁴ 4. 9
Finland.....	90. 2		63. 2		17. 0	⁵ 10. 0
Norway.....	50. 2	50. 0				. 2
Poland.....	40. 0	40. 0				
Turkey.....	35. 6		35. 6			
Czechoslovakia.....	22. 0				20. 0	⁴ 2. 0
Denmark.....	20. 0	20. 0				
Germany.....	19. 0				19. 0	
Greece.....	14. 7	14. 7				
Austria.....	14. 3		13. 0			⁶ 1. 3
Sweden.....	2. 2		2. 2			
Unallotted cotton credits.....	19. 0				19. 0	

See footnotes at end of table.

TABLE VII.—*Net credits authorized by the Export-Import Bank,¹ July 1, 1945, to Sept. 30, 1948—Continued*

[In millions of dollars]

Area and country	Total	Reconstruction	Development	Lend-Lease Requisitions	Cotton Purchases ²	Other
Total, Latin America	207.0		207.0			
Brazil.....	73.6		73.6			
Mexico.....	57.0		57.0			
Chile.....	43.7		43.7			
Colombia.....	20.0		20.0			
Ecuador.....	3.5		3.5			
Bolivia.....	3.3		3.3			
Venezuela.....	3.0		3.0			
Panama.....	2.0		2.0			
Argentina.....	.2		.2			
Miscellaneous.....	.7		.7			
Total, Asia and Africa	112.8	36.7	17.1		59.0	
China.....	66.7	33.7			33.0	
Japan.....	26.0				³ 26.0	
Saudi Arabia.....	10.0		10.0			
Egypt.....	7.1		7.1			
Ethiopia.....	3.0	3.0				
North America: Canada	300.0		300.0			
Miscellaneous	2.5					2.5

¹ Cancellations and expirations deducted. Numerous small exporter-importer loans extended by the Bank, July 1, 1945, through Sept. 30, 1948, excluded. Also excluded are Mexican authorizations of \$30,000,000, and a Peruvian authorization of \$400,000 approved prior to June 30, 1945, reported on Export-Import Bank books subsequent to June 30, 1945.

² Credits extended by Export-Import Bank under general approval of the Council. Hungarian credit of \$7,000,000 canceled Apr. 2, 1947.

³ Excludes participation by private banks.

⁴ For financing tobacco purchases.

⁵ For financing food purchases.

⁶ Revolving credit (of \$1,300,000 shown for Austria, \$800,000 is revolving).

SUNDRY FINANCIAL PROBLEMS

Commodity Credit Corporation credits

In June 1948 the Department of Agriculture through the Commodity Credit Corporation submitted for the consideration of the Council an agreement with the Indonesian Government under which the Corporation would make available \$25,000,000 for the purchase of incentive goods (textiles, food, household articles, etc.) to be used to stimulate the production and procurement of copra and palm oil for export. The agreement would be effective for a 2-year period from the date of execution, and payments would be made by the Indonesian Government in amounts of \$1,500,000 each month for the last 6 months of the agreement. Any balance due at the end of the agreement would be paid in full not later than 90 days after termination of the agreement, while interest would be at the rate of 3 percent per annum. Ability to repay by the Indonesian Government was based upon anticipated export proceeds of copra and palm oil in 1948 at the equivalent of \$90,000,000 to \$100,000,000.

The Commodity Credit Corporation had extended assistance to Indonesia in 1946 and the amount made available, \$9,400,000, was used to stimulate the production of copra. This agreement terminated on December 31, 1947, and the loan was fully repaid.

The Council offered no objection to the extension of the \$25,000,000 credit by the Commodity Credit Corporation to the Indonesian Government.

War Assets Administration foreign credits

War Assets Administration credit agreements with foreign governments were inaugurated at a time when the agency held in its inventory large amounts of property which it appeared could not then be absorbed by the national economy. After the adoption of the Economic Cooperation Act of 1948, the question arose as to whether the War Assets Administration should continue such credits.

It was concluded that the continuance of the credits would further the objective of European recovery. Nevertheless, the War Assets Administration was of the opinion that no new credits to foreign governments should be extended and that it might be advisable in some instances to consider reducing the amounts of existing credit agreements, since inventories of surplus property available to foreign governments after prior domestic claims were met had been considerably reduced. The Council concurred in this view, with the reservation that the door should not be closed entirely on War Assets Administration foreign credits, since there might arise exceptional circumstances under which it would be appropriate to extend small credits to particular countries, especially to those not eligible for assistance under the Foreign Assistance Act of 1948. The War Assets Administrator agreed that under such circumstances small additional credits might be made to countries outside of the European Recovery Program.

During September 1948 the Administrator requested the advice of the Council as to the desirability of extending six credit agreements scheduled to expire in the latter part of the year. The Council approved consideration by the agency of the extension to December 31, 1948, of the credit agreements with the Governments of Finland, the Philippines, the Netherlands, Haiti, Norway, and Austria.

TABLE VIII.—*War Assets Administration credit agreements with foreign governments, as of Sept. 30, 1948*

Country	Total	Credit Approvals Sept. 30, 1948	Unused Balance
Total.....	\$117,255,000	\$20,061,886	\$97,193,104
France.....	50,000,000	5,886,009	44,113,991
Netherlands.....	15,000,000	1,410,025	13,589,975
Norway.....	12,000,000	1,591,450	10,408,540
Austria.....	10,000,000	3,823,665	6,176,335
Finland.....	10,000,000	5,235,929	4,764,071
Philippines.....	10,000,000	1,923,952	8,076,048
Pakistan.....	10,000,000	136,704	9,863,296
Haiti.....	255,000	54,152	200,848

Certain applications which had been previously approved by the Council had not resulted in credit agreements as of September 30, 1948.

Joint Brazil-United States Technical Commission

Consultation between representatives of the constituent agencies of the Council and the United States section of the Joint Brazil-United States Technical Commission took place during August 1948. This Commission is a product of discussions held between the United States Secretary of the Treasury and the Brazilian President and Finance Minister during 1947, at which time it was agreed that a small group of United States technicians would be sent to Brazil to work with a similar group of Brazilians in arriving at determinations as to the most effective utilization of Brazilian resources. Terms of reference of the Commission as agreed by the two Governments are as follows:

The Joint Brazil-United States Technical Commission should endeavor to analyze the factors in Brazil which are tending to promote or to retard the economic development of Brazil. This might involve a broad appraisal of the manner, directions, and rates of development of the Brazilian economy, looking toward the most effective and balanced utilization of Brazilian resources. The Commission should give particular attention to the capacity of Brazil for economic expansion through the maximum use of its internal resources. The Commission shall not undertake to appraise the merits of specific projects or to evaluate the desirability of obtaining foreign financing. The Commission, however, should consider measures designed to encourage the flow of private capital to Brazil and, where appropriate, may make broad recommendations relative to measures which might facilitate economic development in Brazil.

The Commission should direct its attention toward an analysis of (1) Brazil's natural and capital resources, (2) the supply of labor, particularly skilled labor, (3) problems in fiscal and banking fields, (4) problems of domestic and international trade, and (5) the position of Brazil in the world economy.

The United States section of the Commission left for Brazil on August 27, 1948.

United States-Mexican stabilization agreement

During the period under review, Mexico purchased \$7,000,000 in exchange for pesos, following purchases of \$30,000,000 in the previous 6-month period. Out of the total of \$50,000,000 under the United States-Mexican Stabilization Agreement of May 13, 1947, there remained \$13,000,000 potentially available to Mexico as of September 30, 1948.

A heavy loss of reserves forced Mexico to withdraw support from the peso on July 22, 1948. As of September 30, 1948, the Mexican Government had not submitted a new par value to the International Monetary Fund. Further discussion of Mexico's relations with the Fund is contained in section IV of this report.

IV. ACTIVITIES OF THE COUNCIL FROM APRIL 1 TO SEPTEMBER 30, 1948, RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The National Advisory Council, in accordance with statutory authority, continued to coordinate the activities of the United States representatives of the Fund and the Bank with those of other agencies of the Government, by consulting and advising with them on major problems arising in administration of the Fund and the Bank. The United States Executive Directors of these institutions or their Alter-

nates, have attended the Council's meetings regularly, and have participated continuously in the work of its Staff Committee.

THIRD ANNUAL MEETINGS OF THE FUND AND THE BANK

The Boards of Governors of the Fund and the Bank held their third annual meetings in Washington, D. C., September 27 to October 1, 1948. The Secretary of the Treasury, John W. Snyder, as United States Governor of both institutions, and William L. Clayton, as Alternate Governor, attended. Andrew N. Overby and Frank A. Southard, Jr., were appointed temporary United States Alternate Governors for the purpose of these meetings. The Executive Directors also participated in these meetings, as did representatives of the constituent agencies of the Council.

At these meetings the application of Siam for membership was approved, various bylaws of the organizations were amended, and the Honduran request for a reduction in its Fund quota was granted. The Boards of Governors received the annual reports, the reports on audit, and the 1949 administrative budgets. At the closing session the Governor of France was elected Chairman for the coming year, and the Governors of China, India, the United Kingdom, and the United States were elected Vice Chairmen. It was decided to hold the fourth annual meetings in Washington in the month of September 1949.

MEMBERSHIP CHANGES IN THE FUND AND THE BANK

In the period under review, one new country, Austria, was admitted to membership in the Fund and the Bank. The Council favored the approval of the Austrian application. Subsequently, the Boards of Governors admitted Austria as a member with a quota in the Fund of \$50,000,000, and a like amount as a subscription to the Bank. Austria formally became the forty-seventh member of the two organizations on August 27, 1948.

On August 6, 1948, the Council advised the United States Governor and the United States Executive Directors of the Fund and the Bank that it favored the approval of the membership application of Siam. At the third annual meetings in September 1948 the Boards of Governors accepted the Siamese request for membership, providing for a quota in the Fund of \$12,500,000, with a like amount as a subscription to the Bank. Membership is open to Siam until March 31, 1949.

At the second annual meeting in London, the Boards of Governors agreed to increase the quota of Iran in the Fund from \$25,000,000 to \$35,000,000, conditional upon a proportionate increase in its subscription to the Bank. The increased Bank subscription was received and accepted on June 28, 1948. The new Iranian quota in the Fund became effective on July 21, 1948, and payment was received on August 18, 1948.

On September 30, 1948, 47 countries were members of the Fund and the Bank. The members, with their quotas and capital subscriptions as of September 30, 1948, are listed in appendix E.*

*Appendixes omitted in this exhibit.

THE FUND

The International Monetary Fund provides machinery for international consultation and collaboration on international monetary problems. From time to time, during the period under review, member countries have consulted the Fund concerning the various factors affecting their balances of payments and exchange rates, and the Fund has given advice to its members in connection with such problems. It has recognized that questions of foreign exchange cannot be separated from those of monetary, trade, and fiscal policy. In the judgment of the Council, real progress has been made in establishing the Fund as a technical advisory and consultative body on international exchange problems, and in implementing the purposes of the Articles of Agreement. In conformity with its articles, the Fund also has provided assistance to its members to help meet their balance-of-payments deficits on current account.

Par values

On April 23, 1948, the Fund announced that it had accepted a par value of one United States dollar for the Dominican peso. On July 14, 1948, the Fund also announced that it had agreed to the establishment of an initial par value of 5.40541 cents for the Brazilian cruzeiro. The United States Executive Director, acting with the approval of the Council, supported these decisions.

On July 22, 1948, the Bank of Mexico withdrew its support of the 20.6 cent initial par value of the peso agreed to with the Fund. The principal reason for this action was a continuous heavy drain on Mexico's foreign exchange reserves throughout the postwar period, and especially during the first 7 months of 1948. In accordance with the United States-Mexican Stabilization Agreement, Mexico discussed this matter fully with the officials of the United States Treasury. Representatives of the Treasury and representatives of the Fund have continued discussions with Mexican officials on the problem.

Quotas

At the third annual meeting, the Board of Governors agreed to a request by the Government of Honduras for a reduction in its Fund quota from \$2,500,000 to \$500,000.

Exchange restrictions

The Fund has continually advised those of its members engaging in multiple exchange practices of its interest in the unification of their exchange rate structures and, during the period under review, some of these members took steps working toward establishment of a unitary rate. Because of acute balance-of-payments deficits, however, a number of countries have felt obliged to continue their multiple exchange practices as well as other restrictions on payments and transfers for current account. In many of these latter cases the Fund recommended fiscal and monetary measures best suited to promote the establishment of a unitary rate at some future date.

At its meeting of June 11, 1948, the Executive Directors of the Fund considered, at the request of the Government of Colombia, recent revisions in Colombia's foreign-exchange system. The new

regulations provided for taxes on imports, as well as premia for exports, designed to alleviate the Colombian exchange difficulties. The Fund withheld its approval of the proposals, despite their temporary nature, since they contained features directly in conflict with the policies of the Fund. However, further consultations continued between representatives of the Fund and the Colombian Government.

On September 7, 1948, the Fund announced that it had been carrying on a series of discussions with the Government of Peru regarding measures which that Government proposed to take to restore its international payments position. The measures proposed included a surcharge on imports of nonessential and luxury goods, as well as a higher return on exports. The Fund emphasized that such exchange measures can be effective only if they are accompanied by determined efforts of the Government to halt inflation, to secure additional revenue from sources other than exchange taxes, and to limit the expansion of bank credit. The Fund announced that its consultations with Peru, conducted in a spirit of complete cooperation, were expected to continue until the desired aims were realized.

Fund exchange transactions

During the 6 months April 1 through September 30, 1948, the Fund sold an equivalent of \$39,800,000 to member countries in exchange for their own currencies. Of this amount, \$11,400,000 represented the dollar equivalent of Belgian francs sold by the Fund to the Netherlands and Norway. These latter transactions constituted the first sales of Belgian francs made by the Fund to date. The following table presents a detailed break-down of all Fund currency sales through September 30, 1948:

TABLE IX.—*Currency sales of the International Monetary Fund Mar. 31, 1947, through Sept. 30, 1948*

[In millions of United States dollars]

Country	Total to Sept. 30, 1948	Six-Month Period ending—				
		Sept. 30, 1948		Mar. 31, 1948 ¹	Sept. 30, 1947	
		United States dollars	Belgian francs	United States dollars ¹	United States dollars	Pounds sterling
Total, All Countries	639.9	28.4	11.4	391.1	203.0	6.0
Total, Europe	564.1	11.9	11.4	356.8	178.0	6.0
United Kingdom	300.0	-----	-----	240.0	60.0	-----
France	125.0	-----	-----	25.0	100.0	-----
Netherlands	75.3	-----	6.8	44.5	18.0	6.0
Belgium	33.0	-----	-----	33.0	-----	-----
Denmark	10.2	3.4	-----	6.8	-----	-----
Norway	9.6	2.5	4.6	2.5	-----	-----
Czechoslovakia	6.0	6.0	-----	-----	-----	-----
Turkey	5.0	-----	-----	5.0	-----	-----
Total, Other Countries	75.8	16.5	-----	34.3	25.0	-----
India	44.2	16.2	-----	28.0	-----	-----
Mexico	22.5	-----	-----	-----	22.5	-----
Chile	8.8	-----	-----	6.3	2.5	-----
Ethiopia .....	.3	.3	-----	-----	-----	-----

¹ No other currencies were sold by the Fund during this period.

Fund relations with the proposed International Trade Organization

In response to an invitation from the Economic and Social Council of the United Nations, the Fund participated in the meetings at which the International Trade Organization Charter was drafted, and also contributed to the formulation of practicable arrangements for cooperation between the Fund and the International Trade Organization. Both of these organizations are concerned with the external economic position of member nations. While the Fund approaches the problem of achieving and maintaining a sound external economic position of members primarily from the financial side, the International Trade Organization approaches this problem from the viewpoint of commercial policy. This interdependence makes full cooperation between the Fund and the International Trade Organization imperative. Under its charter, the International Trade Organization will seek agreement with the Fund regarding procedures for consultation on monetary and related questions. A parallel provision is also contained in the General Agreement on Tariffs and Trade.

Organizational changes

On June 16, 1948, the President of the United States, with the advice and consent of the United States Senate, appointed Mr. Henry J. Tasca as United States Alternate Executive Director on the Fund. Mr. Tasca succeeded Mr. George F. Luthringer, whose resignation as United States Alternate Executive Director to become Deputy Director of the Research Department of the Fund became effective July 2, 1948.

The Fund and the European Recovery Program

The resources of the International Monetary Fund are not intended to meet the type of financing which the ECA program is designed to cover. In general, use of the resources of the Fund is limited, in accordance with its purposes, to giving temporary assistance in financing balance-of-payments deficits on current account for monetary stabilization operations. On April 20, 1948, the Fund issued a policy statement on this subject which, in part, stated:

For the first year the attitude of the Fund and ERP members should be that such members should request the purchase of United States dollars from the Fund only in exceptional or unforeseen cases. The Fund and members participating in ERP should have as their objective to maintain the resources of the Fund at a safe and reasonable level during the ERP period in order that at the end of the period such members will have unencumbered access to the resources of the Fund.

The Council agreed substantially with these views.

THE BANK

Loans and disbursements

On May 25, 1948, a supplemental loan agreement was entered into between the Bank and the Kingdom of the Netherlands providing for certain modifications in the loan agreement of August 7, 1947, by which an amount of \$195,000,000 was made available to the Netherlands. These modifications were in the form of a new loan of 17,000,000 Swiss francs (equivalent to \$3,955,788), and cancellation of an equal portion of the original loan. The Swiss francs were acquired through the sale of International Bank 2½ percent Swiss franc serial bonds to the Bank for International Settlements at par

and accrued interest. The supplemental loan agreement became effective on June 1, 1948.

The serial bonds, maturing in 1953 and 1954, were the first bonds to be issued by the Bank in other than dollar denominations. From a long-term viewpoint, it is desirable that the Bank supplement its borrowing in the United States through tapping other sources of capital, since international capital transactions in currencies other than dollars may also contribute to the expansion of trade.

On July 29, 1948, agreements were executed providing for loans to four of the principal Dutch shipping companies to finance the entire purchase price of six merchant vessels, each costing \$2,000,000, for the Dutch merchant marine. Each of the six loans was secured by a Netherlands ship mortgage, and was represented by serial mortgage notes repayable in 20 equal half-yearly maturities of \$100,000, bearing interest at the rate of 2½ percent per annum. In addition, the borrowers were to pay to the Bank a commission of 1 percent per annum and a service charge of one-sixteenth of 1 percent per annum. Repayments begin on January 15, 1949, with the last installment due on July 15, 1958. Payment of principal, interest, commission, and service charges is fully guaranteed by the Netherlands Government.

On August 6, 1948, a group of 10 United States commercial and savings banks purchased from the International Bank all of the notes maturing in the first 6 years, and part of those maturing in the seventh year. These notes were guaranteed by the International Bank. The remaining \$3,900,000 of the notes were retained in its portfolio.

The Council was in agreement with the Bank as to the desirability of making the loans, since the newly acquired vessels may be expected to save or earn for the Netherlands at least sufficient dollars over the period of the amortization to meet the whole service of the loans, entirely apart from the benefits of returns in other currencies. Inasmuch as shipping is the most important balance-of-payments item outside of exports and imports, a revival of prewar earning power in shipping would contribute vitally to the improvement of the Netherlands balance-of-payments position.

From May 9, 1947, through September 30, 1948, the Bank had made loan commitments aggregating over half a billion dollars. More than nine-tenths of this amount had been disbursed by September 30, 1948, as shown in the following table:

TABLE X.—*Status of International Bank loans as of Sept. 30, 1948*

Borrower	Loan Commitment	Disbursement	Unused Balance of Commitment
Total, All Loans	\$525,000,000	\$490,776,505	\$34,223,495
Credit National (France)	250,000,000	250,000,000	—
Kingdom of the Netherlands	195,000,000	195,000,000	—
Kingdom of Denmark	40,000,000	24,987,513	15,012,487
Republic of Chile	16,000,000	—	16,000,000
Grand Duchy of Luxembourg	12,000,000	8,788,992	3,211,008
Dutch shipping companies (loan guaranteed by the Kingdom of the Netherlands)	12,000,000	12,000,000	—

Legislation

During the period under review the Council agreed to support, by appropriate steps, amendment of the Securities Act of 1933 and the Securities Exchange Act of 1934, so as to exempt securities issued or guaranteed by the International Bank from those acts, and to support the amendment of the National Bank Act so as to permit dealing in these securities by member banks of the Federal Reserve System (subject to existing limitations on the total amount of securities of any one obligor that a member bank may hold at any one time). It was the Council's opinion that the Securities Acts had not been enacted with a view to regulating the issuance of and dealings in the securities of an international institution such as the Bank. In the Eightieth Congress, second session, legislation incorporating these amendments was favorably reported by the Senate Committee on Banking and Currency and passed by the Senate subject to a motion to reconsider. This legislation was also given a hearing by the Committee on Interstate and Foreign Commerce of the House of Representatives but was not reported by that committee.

Advisory Council

The first annual meeting of the Bank's Advisory Council was held from July 19 to July 23, 1948, at the principal office of the Bank in Washington, D. C. This Council, organized in accordance with article V, section 6, of the Bank's Articles of Agreement, comprises 10 members, 9 selected by the Board of Governors at their second annual meeting, and a tenth selected by subsequent vote of the Governors completed on April 30, 1948.

Membership and representation on the Advisory Council of the International Bank for Reconstruction and Development

Name	Nationality	Representation
Sir Arthur Salter.....	United Kingdom.....	Chairman.
Edward E. Brown.....	United States.....	Banking.
Herbert C. Hoover.....	do.....	Commerce.
R. Dickson Harkness.....	Canada.....	Industry.
Leon Jouhaux.....	France.....	Labor.
Michael Kalecki.....	Poland.....	Economics.
Pedro Beltran.....	Peru.....	Agriculture.
Sir C. V. Raman.....	India.....	Science.
Lionel Robbins.....	United Kingdom.....	Economics.
S. K. Alfred Sze.....	China.....	Other activities.

The function of the Advisory Council is to consult with officials of the Bank on matters comprehending world-wide economic and financial problems, particularly those confronting member countries. At its first annual meeting a full exchange of views took place with respect to the more important policies of the Bank. The Advisory Council did not, however, render a formal report.

Fiscal operations

During the fiscal year ending June 30, 1948, net income of the International Bank exceeded \$4,000,000, sufficient to eliminate by a considerable margin the \$1,000,000 deficit existing on June 30, 1947, and, in addition, \$3,000,000 was placed into the special reserve. For the 3 months ending September 30, 1948, the Bank reported a

net income in excess of \$2,300,000, exclusive of over \$1,200,000 paid into its special reserve. Operations for the similar period in 1947 resulted in a net loss of \$878,000. As of September 30, 1948, the Bank had an earned surplus of over \$5,300,000, plus nearly \$4,300,000 in the special reserve.

Future lending

As of September 30, 1948, the Bank had uncommitted loanable funds amounting to approximately \$475,000,000, and had received numerous loan requests which were at various stages of investigation and completion. The Bank is expected to place particular emphasis on its developmental activities during the next year; and although it will continue to provide a source of funds for some of the countries participating in the European Recovery Program, it is not likely that such assistance will be on a large scale.

JOHN W. SNYDER,

Secretary of the Treasury, Chairman of the National Advisory Council on International Monetary and Financial Problems.

DEAN ACHESON,

Secretary of State.

CHARLES SAWYER,

Secretary of Commerce.

THOMAS B. MCCABE,

Chairman of the Board of Governors of the Federal Reserve System.

HERBERT E. GASTON,

Chairman of the Board of Directors of the Export-Import Bank of Washington.

PAUL G. HOFFMAN,

Administrator for Economic Cooperation.

[Omitted from this exhibit are the charts, and also the appendixes which include sections of the Bretton Woods Agreements Act and of the Foreign Assistance Act of 1948 relating to the National Advisory Council, tables on United States Government assistance to foreign countries, July 1, 1945, through June 30, 1948, and membership and quotas in the International Monetary Fund and membership and subscriptions in the International Bank for Reconstruction and Development, September 30, 1948.]

In the second National Advisory Council report, covering operations from October 1, 1948, to March 31, 1949, which follows, the appendixes are included except the sections of legislation, which were printed in the Annual Reports of the Secretary of the Treasury for 1945 and 1948.]

Exhibit 14.—Report of activities of the National Advisory Council on International Monetary and Financial Problems, October 1, 1948, to March 31, 1949

[House Document No. 250, 81st Congress, 1st session]

LETTER OF TRANSMITTAL

To the Congress of the United States:

Attached is a report of the National Advisory Council on International Monetary and Financial Problems covering its operations from October 1, 1948, to March 31, 1949, and describing, in accordance with section 4 (b) (5) of the Bretton Woods Agreements Act, the

participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development for the above period.

Previous reports of the National Advisory Council were transmitted to the Congress on March 1, 1946, March 8, 1946, January 13, 1947, June 26, 1947, January 19, 1948, May 17, 1948, August 3, 1948, and March 14, 1949, respectively. In addition to the First Special Report on the Operations and Policies of the International Monetary Fund and the International Bank for Reconstruction and Development, submitted on May 17, 1948, previous reports on the participation of the United States in the International Monetary Fund and the International Bank were included in the reports of January 13, 1947, June 26, 1947, January 19, 1948, August 3, 1948, and March 14, 1949, respectively.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 5, 1949.*

REPORT OF ACTIVITIES OF THE NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINAN- CIAL PROBLEMS OCTOBER 1, 1948, TO MARCH 31, 1949

I. ORGANIZATION OF THE COUNCIL

STATUTORY BASIS

The National Advisory Council on International Monetary and Financial Problems was established by the Congress in the Bretton Woods Agreements Act (59 Stat. 512, 22 U. S. C. 286b), approved July 31, 1945. The statute directed the Council to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund and the International Bank for Reconstruction and Development, the Export-Import Bank of Washington, and all other agencies of the Government "to the extent that they make or participate in the making of foreign loans or engage in foreign financial, exchange or monetary transactions." The Council was also directed to advise and consult with the President and the United States representatives on the Fund and the Bank on major problems arising in the administration of the Fund and the Bank; and to recommend to the President general policy directives for the guidance of the representatives of the United States on the Fund and Bank. The Bretton Woods Agreements Act was amended by section 106 of the Foreign Assistance Act of 1948 (62 Stat. Ch. 169, 22 U. S. C. 286b (a)), approved April 3, 1948, to include the Administrator for Economic Cooperation as a member of the Council for the duration of this office. The Council was also given certain additional duties under the Foreign Assistance Act. The relevant portions of the Bretton Woods Agreements Act and of the Foreign Assistance Act of 1948 are presented in appendix A.

REPORTS

Since its first meeting on August 21, 1945, the Council has submitted eight formal reports.¹ The present report covers the activities of the Council from October 1, 1948, to March 31, 1949.

MEMBERSHIP

The members of the Council, according to law, during the period under review, were the following:

The Secretary of the Treasury, John W. Snyder, Chairman.
The Secretary of State, Dean Acheson.
The Secretary of Commerce, Charles Sawyer.
The Chairman of the Board of Governors of the Federal Reserve System, Thomas B. McCabe.
The Chairman of the Board of Directors of the Export-Import Bank, Herbert E. Gaston.
The Administrator for Economic Cooperation, Paul G. Hoffman.

Two changes in the membership of the Council have occurred since the previous report. Mr. Dean Acheson succeeded Mr. George C. Marshall as Secretary of State, and Mr. Herbert E. Gaston succeeded Mr. William McChesney Martin, Jr., as Chairman of the Board of Directors of the Export-Import Bank.

By agreement, the following served as alternates:

William McChesney Martin, Jr., Assistant Secretary of the Treasury.
Willard L. Thorp, Assistant Secretary of State for Economic Affairs.
Thomas C. Blaisdell, Jr., Assistant Secretary of Commerce.
M. S. Szymczak, Member of the Board of Governors of the Federal Reserve System.
Hawthorne Arey, Vice Chairman of the Board of Directors of the Export-Import Bank.
Wayne C. Taylor, Assistant to the Administrator, Economic Cooperation Administration.

C. Dillon Glendinning is the Secretary of the Council.

The United States Executive Directors on the International Monetary Fund, Frank A. Southard, Jr., and on the International Bank for Reconstruction and Development, Eugene R. Black, or their alternates, Henry J. Tasea and John S. Hooker, respectively, regularly attended the meetings of the Council.

¹ These reports were transmitted by the President to the Congress on March 1, 1946 (H. Doc. No. 489, 79th Cong., 2d sess.; subsequently included as appendix B to H. Doc. No. 497, 79th Cong., 2d sess.); March 8, 1946 (H. Doc. No. 497, 79th Cong., 2d sess.); January 13, 1947 (H. Doc. No. 53, 80th Cong., 1st sess.); June 26, 1947 (H. Doc. No. 365, 80th Cong., 1st sess.); January 19, 1948 (H. Doc. No. 501, 80th Cong., 2d sess.); May 17, 1948 (H. Doc. No. 656, 80th Cong., 2d sess.); August 3, 1948 (H. Doc. No. 737, 80th Cong., 2d sess.); and March 14, 1949 (H. Doc. No. 120, 81st Cong., 1st sess.).

II. UNITED STATES POSTWAR FOREIGN ASSISTANCE ¹

Throughout the year 1948 the United States continued to provide foreign countries with substantial assistance both to relieve immediate economic distress and to aid in longer-run reconstruction efforts. The year was marked by the inauguration of the European Recovery Program, in which United States assistance became part of a joint program of cooperation with participating European countries. By the end of the year, aid rendered under that program, mainly in the form of grants, totaled about 1.9 billion dollars of the 5.5 billion dollars of aid rendered by all agencies to foreign countries in 1948.

In order to meet certain emergency needs prior to the establishment of the European Recovery Program, assistance to France, Italy, and Austria had been provided under an interim-aid program. This program, starting in December 1947, involved about \$550,000,000 of aid in the form of grants, concentrated in the first half of 1948. The major relief-type program of the United States Government, continuing from previous years, was that of furnishing civilian supplies to areas occupied by our armed forces. Initiated in the war period to prevent civilian disease and unrest prejudicial to our forces abroad, it accounted for about 1.2 billion dollars of aid utilized in 1948. Other aid rendered on a grant basis totaled about \$835,000,000, and included the program started in 1948 for economic and military assistance to China, as well as programs continued from the previous year, such as those for Greek-Turkish assistance, Philippine rehabilitation, the International Refugee Organization, post-UNRRA, and the International Children's Emergency Fund.

Aid on a loan basis in 1948, other than that extended under the European Recovery Program, totaled about 1.1 billion dollars. Export-Import Bank credits utilized were approximately \$430,000,000 of this total, and the remainder was made up, for the most part, of programs that for all practical purposes ended in 1948. The United Kingdom made its final drawings of credit authorized under the Anglo-American Financial Agreement of 1945, and by the end of the year, utilizations under the various property credit programs such as surplus property, lend-lease, and merchant ship disposals were coming to a close.

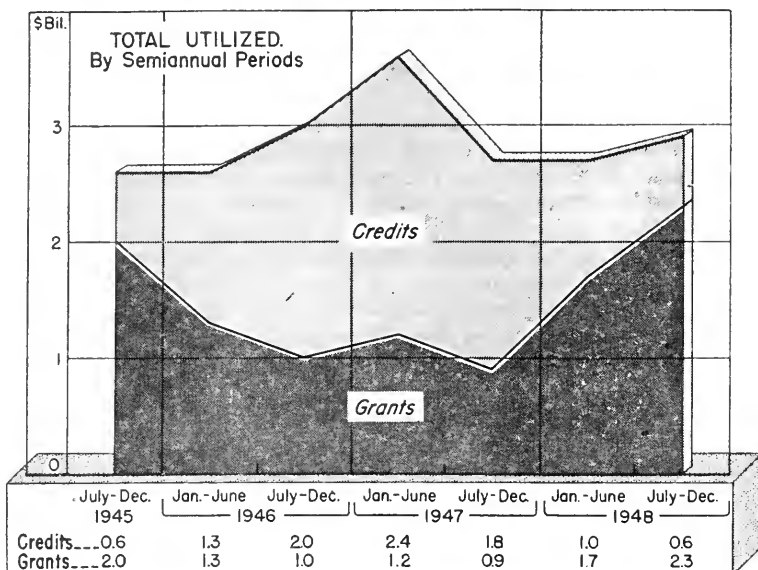
During the postwar period, July 1, 1945, through December 31, 1948, the United States Government made available 26.5 billion dollars for foreign assistance of which 20.1 billion dollars was utilized or expended, and 6.4 billion dollars remained as an unutilized balance on December 31, 1948. About one-half of all unutilized funds at the end of 1948 were ECA funds, principally earmarked either for specific purposes or for the aid of specific countries and largely already committed under contracts for approved purchases. Somewhat less than a billion dollars represented uncommitted lending authority of the Export-Import Bank. The amount of aid utilized in 1948 (5.5 billion dollars) was approximately equal to that extended in 1946, but somewhat less than the 1947 total of 6.4 billion dollars. The increasing momentum of the European Recovery Program during the latter part of 1948 resulted in increasing the total aid rendered in

¹ A detailed break-down of the statistical information referred to in this section appears in appendices B and C.

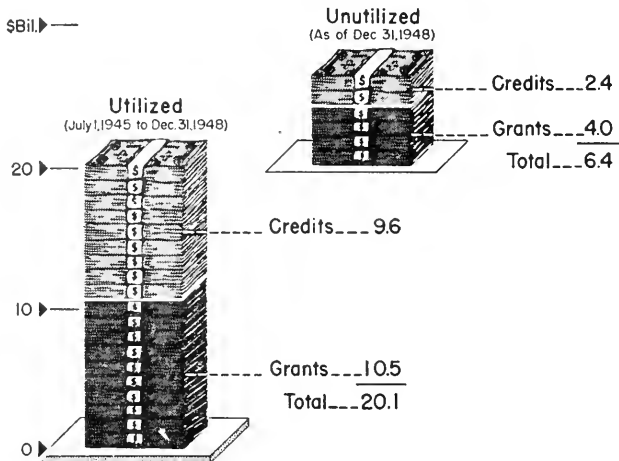
Chart A

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE

July 1, 1945 to December 31, 1948



TOTAL UTILIZED AND UNUTILIZED



the final quarter of 1948 to the average quarterly rate prevailing in 1947.

The year 1948 was marked by a larger share of assistance rendered in the form of grants, including (for statistical purposes) aid for which terms of repayment had not been determined, as compared with loans and other credits which call for the repayment of principal and interest to the United States. This situation also holds true in the foreign aid totals for the entire postwar period, during which funds made available through congressional authorization for grants were 14.5 billion dollars, compared to 12.0 billion dollars for credits. Aggregate grant and credit availabilities from July 1, 1945, through December 31, 1948, distributed by geographical area, are presented in the following table:

TABLE I.—*U. S. Government foreign aid, sum of utilized, July 1, 1945, to Dec. 31, 1948, plus unutilized as of Dec. 31, 1948, by geographical area*

[In millions of dollars]

Area	Total	Grants	Credits
Total, All Areas	26,522	14,507	12,015
Total, Europe	19,453	10,052	9,401
ERP Participants.....	17,859	8,944	8,915
Other Europe.....	1,594	1,108	486
Latin America.....	515	33	482
Asia.....	4,498	3,746	752
Miscellaneous.....	2,056	676	1,380

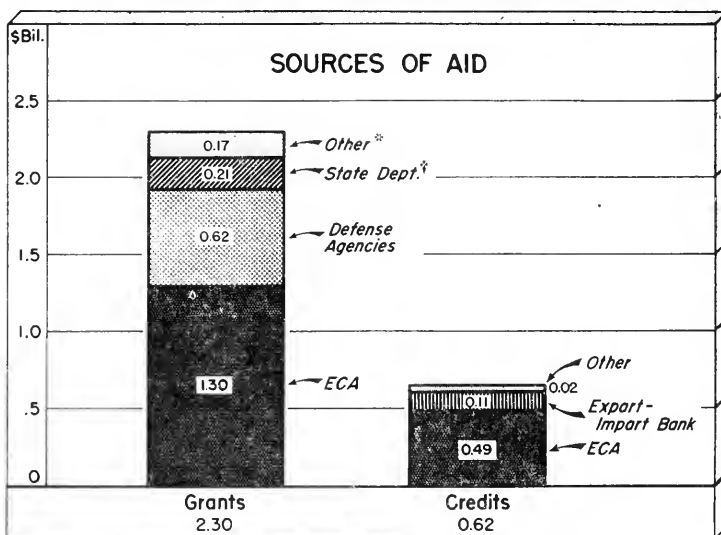
PROGRAMS OF POSTWAR ASSISTANCE

The changes over the period July 1945 to December 1948 reflect the shifting importance of loans and grants in the various postwar programs of foreign assistance. For example, during the 6 months ending December 1945 grants were the dominant factor as a result of the aid furnished through direct lend-lease. In the following year, grant assistance was supplied chiefly through the United Nations Relief and Rehabilitation Administration, followed in importance by civilian supplies provided by military agencies to occupied areas. However, credits became the predominant factor in the foreign financial program in 1946 as a result of the increased activity of the Export-Import Bank, surplus property disposals, and the initial drawings under the Anglo-American Financial Agreement. In 1947 the bulk of the 3.75 billion dollar loan to the United Kingdom was utilized. This utilization not only was responsible for the high level of foreign assistance rendered during that year, but also had the effect of enlarging the credit portion of the foreign-aid program. By 1948 only a small portion of the loan to the United Kingdom remained available for expenditure, with the consequent drop in the proportion of loans as well as in the total of grants and loans extended. In addition, Export-Import Bank credit utilizations decreased significantly from the preceding 2 years, while at the same time the European Recovery Program was initiated largely on a grant basis.

Chart B

UNITED STATES GOVERNMENT FOREIGN ASSISTANCE

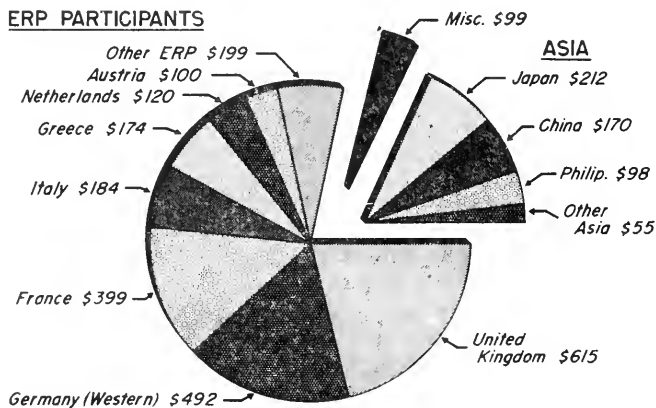
Utilized, Six Month Period, July 1, to December 31, 1948



RECIPIENTS OF AID

(In Millions of Dollars)

ERP PARTICIPANTS



FOREIGN AID DURING THE LAST HALF OF 1948

During the last 6 months of 1948 actual utilization of United States Government foreign aid was slightly less than 3 billion dollars. Funds for more than three-fifths of this 3 billion dollars were supplied through the Economic Cooperation Administration, with another fifth through the defense agencies, and the balance primarily through the State Department (for Greek-Turkish aid), the Export-Import Bank, and the Philippine War Damage Commission. The share of aid going to the ERP participants in this period constituted almost 80 percent of the total, with the United Kingdom, western Germany, France, Italy, and Greece the chief recipients. Asiatic countries received slightly less than one-fifth of the total, about the same percentage that they received for the entire postwar period.

GEOGRAPHICAL DISTRIBUTION OF AID

Approximately two out of every three dollars of expenditures for United States foreign aid during the entire postwar period were for countries that are currently participating in the European Recovery Program, and these countries were also scheduled to receive about three-fourths of all unutilized funds that had been *allocated* as of December 31, 1948. Among the larger European recipients of utilized aid, credits exceeded grants for the United Kingdom, France, the Netherlands, and Belgium. Other countries, such as Italy, Greece, and Austria, relied very heavily on grants. Assistance to other European countries resulted chiefly from the extension of grant assistance through UNRRA.

Table II, showing a break-down of utilized as well as unutilized postwar United States Government foreign grants and credits for each geographical area and recipient country, follows:

TABLE II.—U. S. Government foreign grants and credits, utilized, July 1, 1945, to Dec. 31, 1948, and unutilized as of Dec. 31, 1948, by area and country

[In millions of dollars]

Area or country	Utilized			Unutilized		
	Total	Grants	Credits	Total	Grants	Credits
Total, All Areas	20,139	10,471	9,668	6,383	4,036	2,347
Total, ERP Participants	13,845	5,774	8,071	4,014	3,171	843
United Kingdom	5,378	773	4,605	578	466	112
France	2,785	699	2,086	695	584	111
Germany (western)	1,781	1,556	225	707	688	19
Italy	1,423	1,071	352	477	405	73
Greece	841	730	111	258	234	25
Netherlands	446	117	330	359	286	73
Austria	441	421	19	151	134	17
Belgium and Luxembourg	299	108	191	143	103	40
Other ERP	286	134	152	413	220	192
Unallocated ERP	164	¹ 164	-----	233	51	182

See footnotes at end of table.

Chart C

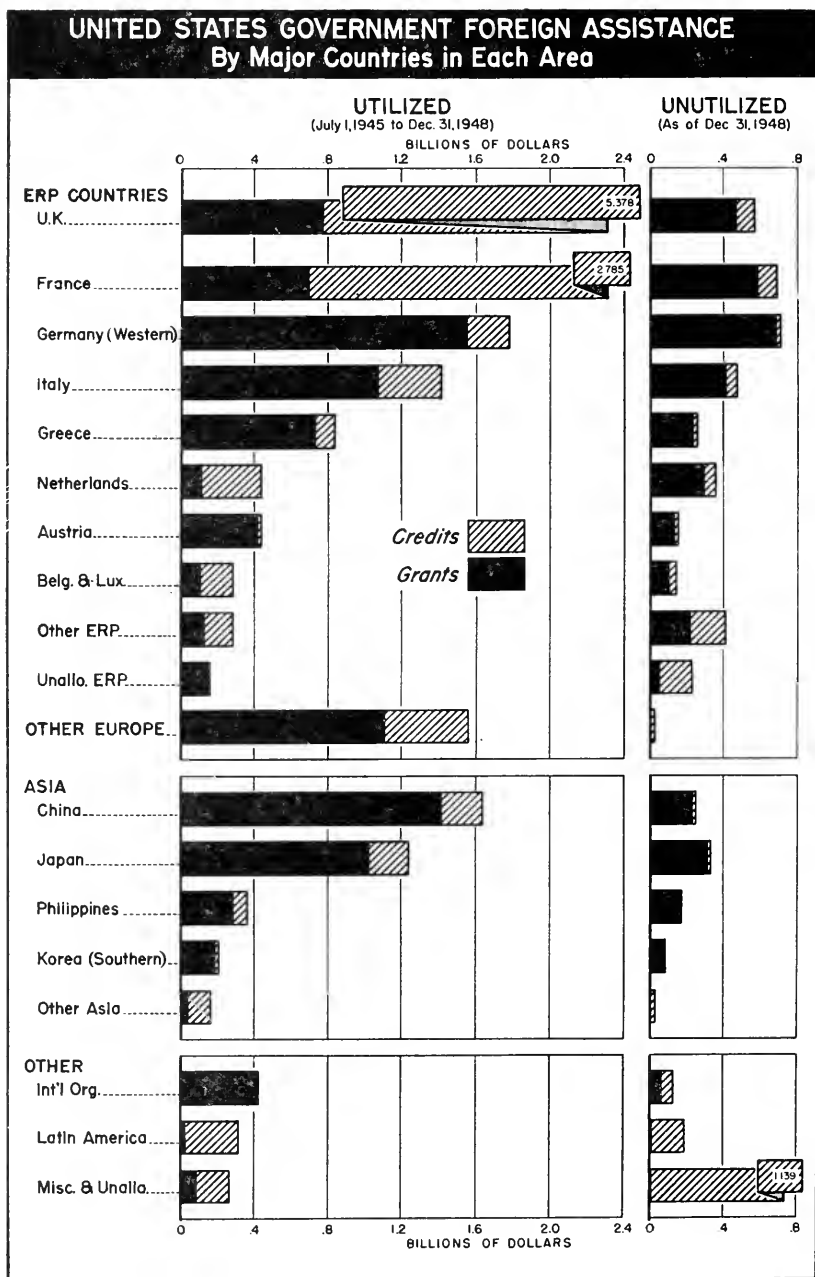


TABLE II.—U. S. Government foreign grants and credits, utilized, July 1, 1945, to Dec. 31, 1948, and unutilized as of Dec. 31, 1948, by area and country—Con.

[In millions of dollars]

Area or country	Utilized			Unutilized		
	Total	Grants	Credits	Total	Grants	Credits
Other Europe.....	1,562	1,108	454	32	-----	32
Total, Asia.....	3,629	2,957	672	869	789	80
China.....	1,643	1,416	227	249	232	17
Japan.....	1,242	1,026	216	331	312	19
Philippines.....	365	285	79	169	160	9
Korea (southern).....	214	189	25	86	86	-----
Other Asia.....	165	41	124	35	-----	35
International Organizations ².....	520	517	3	131	68	62
Latin America.....	317	29	288	199	5	194
Miscellaneous and Unallocated.....	267	88	180	1,139	3	³ 1,136

¹ Principally shipments to France, Germany, and the Low Countries under joint military-civilian supply operations with the United Kingdom and Canada.

² Represents U. S. Government contributions to UNRRA (not allocated by country), and a loan to the United Nations. U. S. Government payments to the International Bank and the International Monetary Fund are not included in this table.

³ Includes \$967,000,000 representing the uncommitted lending authority of the Export-Import Bank, and \$150,000,000 representing the uncommitted commodity-program credit authority of the Department of the Army on Dec. 31, 1948.

NOTE.—

(a) Components will not necessarily add to totals because of rounding.

(b) A detailed analysis of data appearing in this table, as well as a definition of terms, may be found in appendix C.

(c) Grants to ERP Participants include conditional aid.

Source: Clearing Office for Foreign Transactions, Office of Business Economics, Department of Commerce.

Total credits utilized by all ERP countries in the postwar period exceeded grants, while total grants utilized by the Asiatic countries were more than four times their total credits. China received 1.6 billion dollars and Japan 1.2 billion dollars of the 3.6 billion dollars of total postwar assistance rendered by the United States to Asia, with the Philippines and Korea receiving most of the remainder.

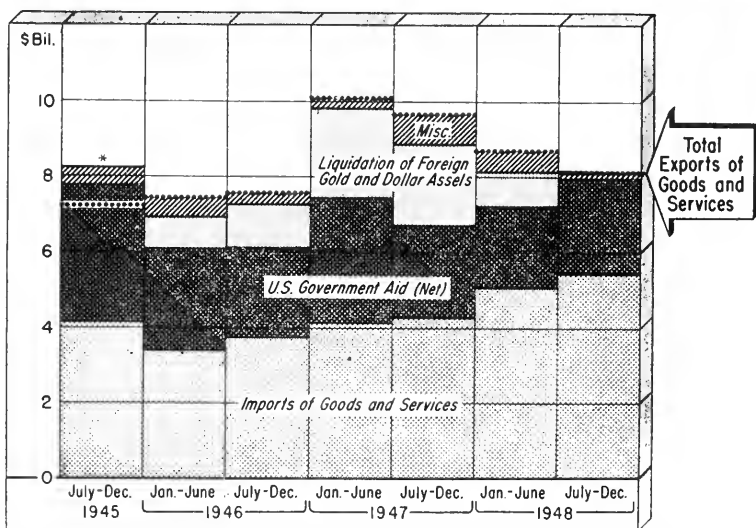
FOREIGN AID AND THE UNITED STATES POSTWAR BALANCE OF PAYMENTS

Total exports of goods and services of the United States amounted to 58.7 billion dollars between July 1945 and December 1948. The United States received 30.3 billion dollars in foreign goods and services, leaving a difference of 28.4 billion dollars to be financed from other sources. To cover their deficit with the United States in the 3½-year period, foreign countries drew a total of 6.3 billion dollars from their gold and dollar assets, and received about 19.0 billion dollars in net United States Government aid. Other elements included assistance from international financial institutions and private financing.

Chart D

FOREIGN AID IN THE U.S. BALANCE OF PAYMENTS

July 1, 1945 to Dec. 31, 1948, Semiannually



* The means of financing shown for the period July through December 1945 exceed exports by \$1078,000,000, which represents the net foreign acquisition of dollar assets and purchases of gold from the United States

3 1/2 Year Period, July 1, 1945 to Dec. 31, 1948

(BILLIONS OF DOLLARS)

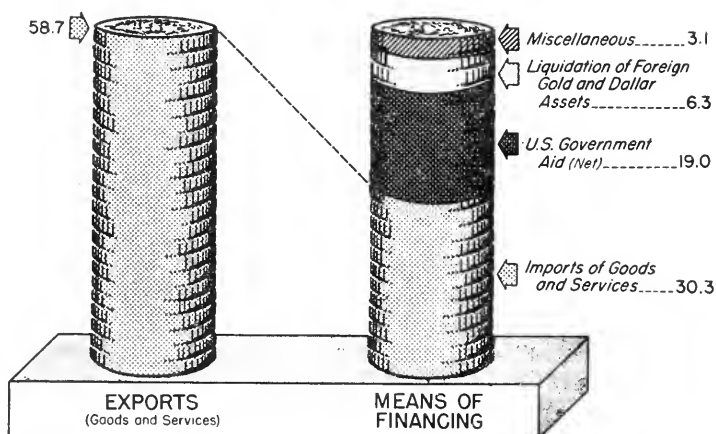


TABLE III.—*Foreign aid in the United States balance of payments, July 1, 1945, to Dec. 31, 1948, by semiannual periods*

[In millions of dollars]

Period	Total exports	Means of financing			
		Total imports	U. S. Government aid (net) ¹	Liquidation of gold and dollar assets ²	Other
Total, 3½ Years	58,698	30,254	19,051	6,260	3,133
1945—July—December	7,200	4,143	3,628	³ -1,078	507
1946—January—June	7,401	3,416	2,681	816	488
July—December	7,565	3,751	2,372	1,152	290
1947—January—June	10,093	4,171	3,293	2,340	289
July—December	9,648	4,292	2,419	2,173	764
1948—January—June	8,644	5,057	2,130	-891	566
July—December	8,147	5,424	2,528	-34	229

¹ Data on U. S. Government foreign aid (net) presented in this table and chart D differ from those in chart A and the statistical appendix for the following reasons:

(a) Aid shown in the above table is net of unilateral transfers to the United States, repayments, etc., whereas gross data appear in chart A.

(b) Pensions, annuities, claims of individuals, etc., are included in this calculation of net aid, but are excluded in chart A.

(c) Included in the calculation of net aid are lend-lease shipments and merchant ship deliveries, whereas aid appearing in chart A is based on lend-lease billings and mortgages signed, both of which lag. As a result of these lags, net aid figures reported for the earlier period in the above table exceed those appearing in chart A.

² Figures in this table differ from those which could be derived from table IV principally because this table includes gold sold out of current production, as well as liquidation of existing holdings.

³ The means of financing shown for the period July through December 1945 exceed exports by \$1,078,000,000, which represents the net foreign acquisition of dollar assets and purchases of gold from the United States.

Source: International Economics Division, Office of Business Economics, Department of Commerce.

From chart D and table III it may be observed that United States exports increased from the latter part of 1945 through the first half of 1947. There followed a moderate decline from the high level of exports reached during the first half of 1947 while imports rose. Exports have increased both in value and physical terms in comparison with the prewar period.

Changes in the United States balance of payments during 1948, compared with 1946 and 1947, were the result of two major developments. The first of these was the continued progress of recovery and production in foreign countries which enabled them to supply a larger portion of their own needs and to increase their exports to the United States. A second major factor in reducing the United States export surplus was the increasing difficulty of countries in making dollar payments. This difficulty appeared acute during 1947 and has continued, with varying degrees of intensity in different countries, throughout 1948.

CHANGES IN FOREIGN GOLD AND DOLLAR RESERVES

Countries which had borne the brunt of the war effort and had not accumulated large reserves have had difficulty since the end of the war in financing their import requirements. By 1948 most of the countries which had built up their reserves during the war had used the bulk of such accumulations, and the shortage of gold and dollars

became widespread. The reserves of most countries, furthermore, were at levels so low as seriously to impair their ability to meet contingencies in international payments. The reserves of many countries were far below the levels that would be requisite to the reestablishment of multilateral trade and the relaxation of foreign exchange controls.

TABLE IV.—*Estimated foreign gold and short-term dollar balances, June 30, 1945, to Dec. 31, 1948*¹

[In millions of dollars]

Area	June 30, 1945	Dec. 31—		
		1946	1947	1948
Total, All Areas	19,684	19,292	15,136	14,863
ERP countries and dependencies.....	10,473	9,967	7,762	7,804
Other Europe ²	1,029	1,104	1,043	840
Asia and Oceania.....	1,980	1,994	1,832	1,969
Latin America.....	3,625	3,642	2,877	2,744
All other.....	2,577	2,585	1,622	1,506

¹ Excludes holdings of the International Monetary Fund, the International Bank, and other international organizations; also excludes U. S. S. R. gold holdings.

² Includes gold held by Tripartite Commission for the Restitution of Monetary Gold.

Source: Treasury Department and Board of Governors of the Federal Reserve System.

A decline in total foreign gold¹ and short-term dollar balances of about 4.5 billion dollars between June 30, 1945, and December 31, 1947, is reflected in table IV. In 1948 the decline amounted to only about \$273,000,000 for the year. The over-all decline of 4.8 billion dollars between July 1945 and December 1948 was accounted for chiefly by a reduction in the balances of ERP countries of 2.7 billion dollars and a decline in Latin-American balances of about \$900,000,000. It should be noted that these figures represent net declines after taking into consideration foreign gold production¹ in the neighborhood of 2.5 billion dollars during the 3½-year period.

The ERP countries, in particular, suffered losses in their monetary reserves during the early postwar years in their efforts to meet the over-all deficit in their balance of payments. The dollar needs of the recipient countries have been greatly in excess of the goods and services supplied by these countries to the United States. Direct United States aid has made possible European dollar payments to other areas of the world, as well as purchases from the United States.

III. ACTIVITIES OF THE COUNCIL FROM OCTOBER 1, 1948, TO MARCH 31, 1949 (OTHER THAN THOSE RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK)

EUROPEAN RECOVERY PROGRAM

The first year of ERP

Many of the participating countries made substantial progress during the first year of the recovery program in accomplishing some of the initial objectives of expanding production and facilitating trade

¹ Excluding U. S. S. R.

and in attaining internal financial stability. Notable signs of financial improvement were reflected in balanced budgets and fairly stable price levels in a number of countries.

In conformity with the Economic Cooperation Act of 1948, the Council worked closely with ECA on the financial problems of the recovery program, and made recommendations on the division of aid by type, i. e., grants (direct or conditional) and loans. The following table summarizes the allotments by country and type of aid for the first year of the program:

TABLE V.—*ECA allotments to participating countries, April 1948–March 1949, by type of aid*¹

[In millions of dollars]

Country	Total allotments	Loans	Grants	
			Direct	Conditional aid
All ERP Countries.....	4,953.0	972.3	3,449.4	531.3
United Kingdom.....	1,316.0	313.0	773.8	229.2
France.....	1,061.6	172.0	882.5	7.1
Italy.....	585.9	67.0	490.8	28.1
Germany (western).....	507.0		437.8	69.2
Netherlands.....	473.9	146.7	323.1	4.1
Austria.....	228.7		228.7	
Belgium-Luxembourg.....	206.7	57.4	3.0	146.3
Greece.....	176.8		176.8	
Denmark.....	103.0	31.0	68.2	3.8
Ireland.....	88.3	88.3		
Norway.....	82.8	35.0	37.0	10.8
Turkey.....	46.7	38.0		8.7
Sweden.....	40.4	21.6		18.8
Trieste.....	13.8		13.8	
Iceland.....	10.0	2.3	2.5	5.2

¹ Represents, together with \$27,700,000 set aside for guaranties, complete assignment to countries of loan funds available from the 1 billion dollar public debt transaction.

Source: Hearings on Foreign Aid Appropriation Bill for 1950, before subcommittee of Committee on Appropriations, House of Representatives, 81st Cong., 1st sess., p. 638.

As shown by this table, practically the entire amount of the 5 billion dollar ECA appropriation and authorization had been allotted by the end of the first year of operation. In general, distribution of funds between recipient countries, and determination of the type of assistance, were based upon such factors as the recovery needs of individual nations, prospective balance-of-payments deficits with the Western Hemisphere, and relative ability to service loans. The conditional aid indicated in column (4) of the table was extended to those countries which anticipated export surpluses in their trade with other participants. (Conditional aid is discussed more fully later in this report.)

Appropriation request for second year program of ERP

The Council concurred in the ECA appropriation request for the April–June quarter of 1949, and for the fiscal year 1949–50. After

review by the Congress, funds were authorized in the following amounts (Public Law 47, ch. 77, 81st Cong., 1st sess.):

[In millions of dollars]

Total ECA Funds Authorized -----	\$5, 580
April-June 1949-----	1, 150
Fiscal year 1949-50-----	4, 280
Guaranties-----	150

The authorization for guaranties is made under section 6 (6) of Public Law 47—

less any amount allocated prior to April 3, 1949, for such purpose, until all liabilities arising under guaranties made pursuant to this authorization have expired or been discharged.

Prior to April 3, 1949, \$27,700,000 had been allocated to guaranties.

Pending the passage of legislation appropriating funds to the ECA for the fiscal year 1950, the Reconstruction Finance Corporation was authorized and directed to make advances not to exceed in the aggregate 1 billion dollars to carry out the provisions of the Economic Cooperation Act.

Financial aspects of European recovery

During November and December 1948, the Council took occasion to review the financial problems raised by ERP during the year and related these problems to the anticipated program for the next fiscal period. In particular, problems relating to the future loan policy of ECA, the use of local currency counterpart funds, ECA guaranties, exchange rates, gold and dollar requirements, and blocked assets were considered.

In its consideration of these problems, the Council recognized the changes taking place in the internal financial situations of the recipient countries. Inflationary rises in prices had been checked in several countries and the monetary authorities of the various governments were in process of carrying out programs of credit restriction. The governments had, to a considerable extent, reduced the rate of inflationary borrowing from the central banks or from other sources by bringing their budgets closer to balance. Furthermore, the fact that there was a greater availability of goods also had the effect of arresting price increases. Difficulties in the future, however, might be faced by those countries which were experiencing "suppressed" inflation—i. e., countries in which expendable income had increased more than proportionately to the supply of goods but in which price rises had been prevented or minimized by such devices as price controls, rationing, and subsidies. In some instances budgets had been balanced, or budgetary surpluses achieved, but in other cases where budgetary deficits were causing inflationary difficulties more effort was needed, in the Council's opinion, to increase domestic revenues and to eliminate unnecessary expenditures.

Exchange rates

The Council has given continual attention to the problem of the exchange rates of the participating countries. It concluded that in 1948 a general revaluation of the European exchange rates was inadvisable in view of the possible internal repercussions of devaluation on the participating countries in a period when their economies still

exhibited serious inflationary tendencies, while their levels of production were not adequate to maintain an expanded volume of international trade. In many of the participating countries these conditions no longer obtain, since substantial progress has been made toward recovery in their levels of production. The Council recognizes that if viability of the European economies is to be attained by 1952, greater progress must be made by the European countries in redressing their balance-of-payments position with respect to the Western Hemisphere, and in attracting private foreign investment. It is the Council's opinion that in some cases the revaluation of currencies may constitute an important means of bringing about the desired expansion of exports to the dollar area which, along with other appropriate measures, will contribute to more normal methods of financing after 1952. While fully aware of the difficulties involved in exchange rate adjustments, the Council believes that the problem should be explored with some of the European countries. Where adjustments of exchange rates are indicated, it is expected that member countries will make appropriate proposals to the International Monetary Fund.

Loan policy

Certain European countries have accumulated a substantial indebtedness to the United States, including debts arising from war-account settlements, postwar credits, and loans extended by ECA during its first year of operations. A further large mortgage upon future dollar receipts would in all probability be a deterrent to the objectives of the recovery program. The imposition of further claims against European dollar earnings by the United States Government would lead to a smaller margin of flexibility in the international accounts of the debtor countries, thereby necessitating disproportionate adjustments in vital imports as earnings fluctuate. The probable effect would be to reduce to a corresponding extent the capacity of participating countries to service additional financing which they may require and to pay earnings on direct investments. Therefore, any substantial increases in dollar service charges resulting from the assumption of increased obligations to the United States Government would be scrutinized with particular concern by international lending agencies and private investors.

The Council consequently recommended that the Administrator for Economic Cooperation be authorized, in consultation with the Council, to determine when aid for the fiscal year 1949-50 should be on a loan basis and in what amount. Prudent use of this discretionary power would keep the field open for long-range investment prospects for private capital, for Export-Import Bank financing, and for International Bank loans.

Foreign gold and dollar balances

Prior to the start of ERP, many nations throughout western Europe had drawn down their gold and dollar reserves in order to purchase essential goods from the United States. When the recovery program began, consideration was given to the problem of whether further reduction in such reserves should be made a requisite to receiving continued United States assistance. The Council considered that such depletion of reserves should not be required, but that ECA allocations

should not be made for the specific purpose of building up foreign-exchange reserves.

Blocked assets

In conjunction with the initial presentation of the European Recovery Program to the Congress, the Council outlined a program to provide to recipient countries information which would enable them to secure control over the blocked dollar assets of their citizens. (See *Report of Council activities for the period October 1947–March 1948.*) Accordingly, a census was taken of all assets which remained blocked in this country as of June 1948. By the end of December appropriate information disclosed by the census with respect to property worth approximately one-half billion dollars was placed in the hands of the countries to which the United States was extending assistance. In this way, detailed information concerning a considerable portion of the assets was made available to the appropriate governments for the first time. On October 1, 1948, jurisdiction over assets remaining blocked was transferred to the Office of Alien Property in the Department of Justice from Foreign Funds Control of the Treasury Department.

Local currency funds

The Economic Cooperation Act and the bilateral agreements negotiated under the Economic Cooperation Act provide that 95 percent of the local currency counterpart funds resulting from United States assistance furnished on a grant basis shall be held or used in agreement with the United States Government. The policies involved in the use of these funds have been formulated by the ECA in consultation with the Council. In accordance with the terms of the act, local currency funds are available for the reduction of public debt, expenditures for capital reconstruction, and for other purposes conducive to attaining the purposes of the act. The status of counterpart funds under the Foreign Assistance Act of 1948 as of April 2, 1949, is shown in the following table:

TABLE VI.—*Status of European local currency counterpart accounts under the Foreign Assistance Act of 1948, as of Apr. 2, 1949*

[Dollar equivalents of the local currency, in millions of dollars ¹]

Countries receiving grants	Total currency deposited	For use by recipient country (95 percent)			For use by United States (5 percent)
		Approved for program use	With- drawals	Balances on deposit	
All ERP Countries.....	1,733.2	1,318.4	828.1	818.5	86.6
France.....	540.7	288.7	288.7	225.0	27.0
United Kingdom.....	484.4	435.0	433.2	27.0	24.2
Italy.....	163.9	² 434.8	.....	155.7	8.2
Austria.....	143.8	12.5	12.5	124.1	7.2
Bizone (Germany).....	163.2	.8	.8	97.2	5.2
Netherlands.....	94.7	.....	.....	90.0	4.7
Greece.....	88.4	² 111.5	63.9	20.1	4.4
Norway.....	45.0	22.2	22.2	20.6	2.2
French Zone (Germany).....	25.5	.....	.....	24.2	1.3
Denmark.....	32.8	(³)	(³)	31.2	1.6
Trieste.....	7.8	² 12.9	6.8	.6	.4
Belgium.....	3.0	.....	.....	2.8	.2

¹ Dollar equivalents are computed at the actual rates which were used by the respective governments in agreement with the Economic Cooperation Administration in making commensurate deposits of local currency.

² Includes programs approved in advance of deposits of counterpart funds.

³ Less than \$50,000.

Source: Economic Cooperation Administration.

Five percent of the counterpart funds deposited by the European Recovery Program participants is allotted to the use of the United States within the foreign country for the procurement of strategic materials and the payment of local currency expenses of the United States Government, particularly administrative expenses in connection with the program. These allotted funds are subsequently transferred from the deposits of the foreign country to a separate United States account. The difference between the funds transferred to the United States account and 5 percent of the grants reported represents a claim of the United States Government on the foreign government. The status of these funds as of April 2, 1949, is shown by country in table VII:

TABLE VII.—*Status of the United States portion (5 percent) of counterpart funds under the Foreign Assistance Act of 1948, by country, as of Apr. 2, 1949*

[Dollar equivalents of the local currency, in thousands of dollars ¹]

Countries receiving grants	Five percent of actual deposits by foreign country	Transferred to United States accounts	Expenditures		Balance in United States accounts
			Administrative and other expenses	Strategic materials	
All ERP Countries	86,659	32,789	6,639	16,758	9,392
France	27,034	3,984	² 2,150	³ 139	1,685
United Kingdom	24,220	17,212	272	16,619	321
Italy	8,196	8,196	2,627	.....	5,569
Austria	7,190	1,200	471	.....	729
Bizone (Germany)	5,160	135	93	.....	42
Netherlands	4,734	254	93	.....	161
Greece	4,419	1,000	685	.....	315
Norway	2,251	130	69	.....	61
Denmark	1,638	172	110	.....	62
French Zone (Germany)	1,275	52	.....	.....	52
Trieste	392	392	12	.....	380
Belgium	150	62	57	.....	5

¹ See footnote 1, table VI.

² Includes \$1,566,000 for expenses of the Office of Special Representative.

³ Represents advance for the development of mining facilities in French Africa to be repaid by the delivery of lead and zinc.

Source: Economic Cooperation Administration.

Neither the Council nor ECA considered that a policy of uniform treatment of the local currency accounts was advisable in view of the great differences in progress made by individual countries, differences in financial structure, and differences in economic policy. Therefore, the Council has acted on a country by country basis in its review of the use of local currency counterpart funds for the various participating countries.

The previous *Report* of the Council dealt with releases of counterpart funds in France, the United Kingdom, Greece, and Trieste. In general, these releases were made for purposes of financing investment and recapitalization of public utilities; to stimulate economic activities in industrial and agricultural enterprises and so contribute to the economic recovery of western Europe; for refugee, public health and welfare programs; and to retire the public debt where the country receiving such aid had progressed toward budgetary equilibrium. During the period under review, the Council considered questions of policy concerning the release of counterpart funds in Austria, Italy, and Norway.

Austria

The Council advised the ECA that it had no objection to the release of 330.5 million schillings from the Austrian counterpart funds to finance expenditures in the last half of 1948 designed to stimulate productive activity through the rehabilitation of basic Austrian utilities. The Council further advised that additional releases be considered only after review of the Austrian financial situation and receipt of evidence that adequate efforts had been made by the Austrian Government to achieve financial stability.

A second request for the release of counterpart funds from ECA and other sources, including GARIOA (Government and Relief in Occupied Areas), was also reviewed by the Council, providing for 1,450 million schillings to retire government debt held by the central bank, 50 million schillings for housing, and 7.58 million schillings for other purposes. The additional program was recommended after extensive review of the new industrial restoration program undertaken by the Austrian Government.

Italy

The Council advised that it had no objection to the Italian Government's proceeding with plans for a broad development program involving the use of counterpart funds up to 250 billion lire. The Council recommended that the Italian Government be advised that approval by the United States of actual releases from counterpart funds would be decided upon after review of the program and of the degree of financial and monetary stability attained. It was anticipated that the use of the funds would be directed toward agricultural rehabilitation, public works construction, expansion of the merchant marine, and improvements to the transportation system.

Norway

The Council advised ECA that the local currency counterpart of ECA assistance during the first year of the program might appropriately be used by the Norwegian Government for the reduction of debt to the Bank of Norway. Norway's primary problem has been one of suppressed inflation. Steps have been taken to offset inflationary pressures through direct controls and gradually to work off excess purchasing power through fiscal measures. In view of this program, the use of counterpart funds for the purpose indicated above appeared wholly consistent with the ECA Act.

Conditional aid

ECA allots funds to certain countries on the condition that they grant to other participating countries equivalent amounts in their own currencies (called drawing rights). These allotments are called conditional aid. During the first year of ERP, conditional aid amounting to \$531,300,000 was allotted to correspond to drawing rights established by participating countries within the intra-European payments plan. In general, the United Kingdom and Belgium received the larger portion of conditional aid while France received a large portion of the corresponding drawing rights.

In the operation of this program, the Council recommended to ECA that no deposit to the special local currency account be required from the country receiving the conditional aid, but that the country

receiving the drawing rights make a commensurate deposit in a special local currency account to be administered under section 115 (b) (6) of the Foreign Assistance Act of 1948, 5 percent of which would be allotted to the United States for its use under the terms of title I of the Foreign Aid Appropriations Act of 1949. Since a country utilizing drawing rights in effect obtains assistance indirectly from the United States, it is reasonable to require that deposits be made on the same conditions as apply to local currency deposits made against direct grants.

ECA guaranty program

The Economic Cooperation Act of 1948 provided a statutory limit of \$300,000,000 for guaranties of industrial and informational media investments in connection with projects approved by the Administrator. This limit was reduced by \$150,000,000 under Public Law 47, Eighty-first Congress, which amended the Economic Cooperation Act. During the first year of its operations, \$27,700,000 was allocated to the ECA guaranty program, and actual guaranties authorized amounted to \$3,587,814.

By arrangement with the Administrator for Economic Cooperation, the Export-Import Bank acts as his agent for the issuance of industrial guaranties, while the informational media guaranties are issued by the Administrator.

ASSISTANCE FOR ASIA

China

Since the date of the last Council report, further deterioration in the economic and political situation of China necessitated adjustment in the United States Government's program of assistance to that country. During November 1948, therefore, ECA requested the advice of the Council on the use of local currency counterpart funds for emergency purposes consistent with the objectives of the China Aid Act of 1948, and the Council saw no objection to the extension of discretionary authority to the Chief of the ECA China Mission to agree with the Chinese Government regarding the use of these funds.

Japan

The Japanese postwar economy has been characterized by acute inflationary conditions which made difficult effective economic control, and resulted in budgetary imbalance and a low level of trade, both domestic and foreign. The United States authorities recognized the need for more adequate internal stabilization in Japan, and in July 1948, urged upon the Japanese Government a program of more effective controls which was adopted only in part.

Early in December 1948, an appropriation request for economic rehabilitation, prepared by the Department of the Army, was submitted to the Council for consideration. The Council offered no objection to the proposed appropriation, on the basis of assurances from the State Department and the Department of the Army that economic stabilization in Japan would be expedited.

On December 17, 1948, a directive was issued by SCAP to the Japanese Government to carry out an effective economic stabilization program calculated to achieve fiscal, monetary, price, and wage stability in Japan as rapidly as possible, as well as to maximize pro-

duction for export. The specific objectives of the program were listed as:

- (1) Balancing the budget at the earliest possible date by stringent curtailing of expenditures and maximum expansion in revenues.
- (2) Strengthening the program of tax collection.
- (3) Limiting credit extension to projects contributing to economic recovery.
- (4) Stabilizing wages.
- (5) Strengthening price controls.
- (6) Improving foreign trade and foreign-exchange controls.
- (7) Improving the allocation and rationing system.
- (8) Increasing production.
- (9) Improving efficiency of the food-collection program.

In conjunction with the announcement of the program, it was stated that—

Improvements in the Japanese standard of living will be contingent on the degree to which the Japanese give wholehearted support to the achievement of economic stabilization and recovery. Their performance in carrying out their program will be weighed in connection with future requests for appropriated funds for Japan.

During 1948, a United States mission conducted a survey of the exchange rate situation in Japan, and recommended that a single rate for the yen be established as soon as practicable. The December directive, referred to above, also indicated that the program would be developed to pave the way for the early establishment of such a rate. In March 1949 the Supreme Commander for the Allied Powers requested authorization to establish a general commercial exchange rate for the Japanese yen on April 1, 1949, or as soon thereafter as practicable. The Council concurred in the proposal and recommended that consideration be given to fixing a rate up to 360 yen per dollar.¹

Ryukyu Islands

The Council gave favorable consideration to the Department of the Army's appropriation request for the Ryukyu Islands for the fiscal year 1950. This program is designed to assist in restoring war-damaged industry, to achieve more efficient utilization of indigenous resources, and to improve existing facilities for power and transportation, and thereby to reduce the amount of funds which would otherwise be required for relief purposes from United States appropriated funds.

Korea

The United States authorities in Korea have been confronted, since the end of the war, with difficulties by reason of currency inflation, the excess of expenses over incomes, tax-collection problems, and disruption of normal economic relations between North Korea and South Korea. An ECA appropriation request for the fiscal year 1950 was presented to the Council for consideration, and the Council

¹ On April 22, 1949, the Supreme Commander for the Allied Powers in Tokyo fixed the official exchange rate at 360 Japanese yen to the dollar, effective April 25. The rate applied to all permissible foreign trade and exchange transactions, including those for which the military conversion rate had been applicable. Exchange rates of the yen with other currencies were based on the official parities of those currencies with the dollar agreed with the International Monetary Fund. The action did not change existing restrictions on conversion of yen to foreign currencies or on the holding of foreign currencies.

gave favorable consideration to this request in view of the special responsibilities of the United States Government in South Korea. This program will continue and extend programs previously administered by the Department of the Army.

EXPORT-IMPORT BANK CREDITS

During the period under review the Council continued to work closely with the Export-Import Bank to facilitate coordination of the Bank's operations with those of other agencies concerned with foreign lending. New credits authorized by the Bank during this period totaled \$148,390,560.

Wood processing industry in Finland

The Council approved consideration by the Export-Import Bank of a loan to Finland in an amount not to exceed \$10,000,000 for the import of essential equipment and raw materials for the woodworking industry in order to promote a substantial increase in the export of pulp, paper, and other essential wood products to the Western Hemisphere and to ERP countries. The credit, unconditionally guaranteed by the Government of Finland, was established in favor of the Bank of Finland, which undertook to control and supervise the allocation of credits among Finnish firms to assure that they would be used for the specific purpose of bringing about further recovery in Finnish exports of wood products. This credit is available until December 31, 1949, bears interest at $3\frac{1}{2}$ percent per annum, and is to be repaid in 6 years after January 1, 1953.

Power development in Brazil

The Council approved consideration by the Export-Import Bank of a loan of \$8,278,000 to 12 of the operating subsidiaries of the American & Foreign Power Co. under guaranty of the Brazilian Electric Power Co., its Brazilian holding company, to finance the expansion of power production and related distribution facilities in Brazil. The obligation is evidenced by notes bearing interest at $4\frac{1}{2}$ percent per annum and maturing in 20 semiannual installments beginning in March 1950. The companies had invested \$25,000,000 in the construction of new facilities during the period 1945-47 and the current loan was designed to cover a portion of the external costs of that part of an additional program of expansion which would be completed in 1949. The Brazilian borrowing companies had demonstrated high earning capacity as a group, and had secured from the Brazilian exchange control authority a registration for priority of the exchange required for the service of the credit.

Another expansion program in Brazil, that of the Brazilian Traction Light & Power Co., Ltd., for a credit of \$75,000,000 to expand power production and telephone facilities, is discussed in the section of this report dealing with the International Bank.

Agricultural development in Haiti

The Council approved consideration by the Export-Import Bank of a credit not to exceed \$4,000,000 to the Republic of Haiti for financing the development of the Artibonite Valley. Terms of the credit provide for repayment in 30 approximately equal semiannual

installments, commencing 3 years after the date of the first advance of funds for the project.

The funds obtained from this loan will be used to assist in financing the construction of flood-control, irrigation and drainage works, as well as settlement and agricultural development of the approximately 62,500 acres of lands to be irrigated. The credits will be used to finance the purchase of United States equipment, materials, and services required for construction in an amount not in excess of \$3,200,000, and to finance the purchase of up to \$800,000 of other United States equipment required in the settlement and development of the irrigated area.

Steel expansion in Chile

The Council approved consideration by the Export-Import Bank of a credit of \$20,000,000, with a maturity of 20 years, to Corporacion de Fomento de la Produccion of Chile, to supplement the existing credit of the Bank for financing construction of an integrated steel mill at Concepcion, Chile. The initial credit of \$28,000,000, was established by the Bank in September 1945.

A rise in prices and necessary modifications in plans since the project was first submitted resulted in a substantial upward revision in estimated total cost, from \$56,000,000 to about \$83,000,000. Of this total \$48,000,000 will be covered by Export-Import Bank financing, \$4,000,000 by credits obtained from United States suppliers, and the balance of \$31,000,000 will be supplied by Chile.

Economic development of Israel

The Council approved consideration by the Export-Import Bank of credits of \$100,000,000 to the State of Israel to finance projects contributing to the balanced economic development of the country. In January 1949 the Export-Import Bank announced the authorization of a credit of \$35,000,000 to assist in the financing of agricultural projects, and the earmarking of \$65,000,000, to be available until December 31, 1949, for credits to finance projects in the fields of transportation and communication, manufacturing, housing, and public works. These various projects are part of the over-all program of the State of Israel designed to establish a self-sustaining economy. The State of Israel expects to finance this total investment program in large part from local savings, Jewish contributions from various parts of the world, and private foreign capital investment.

During March 1949 the Export-Import Bank announced allocations from the \$65,000,000 of \$16,000,000 for buses and trucks, materials and equipment for developing low-cost housing, and telecommunications equipment.

The Israeli credits carry a rate of interest of 3½ percent per annum and are to be amortized over a period of 15 years.

Highway construction in Bolivia

The Council approved consideration by the Export-Import Bank of a credit to Bolivia not to exceed \$16,000,000 with a maturity of about 20 years and an interest rate of not more than 4 percent per annum to assist in financing the completion of the Cochabamba-Santa Cruz highway. The proposed credit would be supplementary to an earlier credit of \$10,000,000 extended in March 1942.

Other credits

In addition to the credits specified above, the Export-Import Bank, during the period under review, extended other credits in small amounts, including credits for certain projects in the Latin American Republics and for the development of iron-ore deposits in Canada.

The Export-Import Bank also acts as the loan administering agency for loan agreements negotiated on behalf of ECA under the Foreign Assistance Act of 1948. Loans to participants in the European Recovery Program have been considered earlier in this *Report*.

As of March 31, 1949, the resources of the Export-Import Bank were distributed as follows:

[In millions of dollars]	
Total Lending Authority -----	3, 500. 0
Loans outstanding-----	2, 144. 7
Undisbursed commitments-----	425. 9
Uncommitted lending authority-----	929. 4

The following table shows the distribution of net credits authorized by country and object of financing. Actual utilization of Export-Import Bank credits by country, through December 31, 1948, may be found in appendix C.

TABLE VIII.—*Net credits authorized by the Export-Import Bank,¹ July 1, 1945, to Mar. 31, 1949*

[In millions of dollars]

Area and country	Total	Reconstruction	Development	Lend-Lease requisitions	Cotton purchases ²	Other
Total, All Areas -----	2, 597. 3	1, 008. 6	754. 6	655. 0	159. 0	20. 1
Total, Europe -----	2, 005. 5	971. 9	261. 0	655. 0	100. 0	17. 6
France-----	1, 200. 0	650. 0	-----	550. 0	-----	-----
Netherlands-----	205. 3	\$ 152. 2	3. 1	50. 0	-----	-----
Belgium-----	132. 0	45. 0	\$ 32. 0	55. 0	-----	-----
Italy-----	131. 8	-----	101. 9	-----	25. 0	\$ 4. 9
Finland-----	100. 2	-----	73. 2	-----	17. 0	\$ 10. 0
Norway-----	50. 2	50. 0	-----	-----	-----	. 2
Poland-----	40. 0	40. 0	-----	-----	-----	-----
Turkey-----	35. 6	-----	35. 6	-----	-----	-----
Czechoslovakia-----	22. 0	-----	-----	-----	20. 0	\$ 2. 0
Denmark-----	20. 0	20. 0	-----	-----	-----	-----
Germany-----	19. 0	-----	-----	-----	19. 0	-----
Greece-----	14. 7	14. 7	-----	-----	-----	-----
Austria-----	13. 5	-----	13. 0	-----	-----	. 5
Sweden-----	2. 2	-----	2. 2	-----	-----	-----
Unallotted cotton credits-----	19. 0	-----	-----	-----	19. 0	-----
Total, Latin America -----	231. 5	-----	231. 5	-----	-----	-----
Brazil-----	73. 6	-----	73. 6	-----	-----	-----
Mexico-----	57. 0	-----	57. 0	-----	-----	-----
Chile-----	63. 7	-----	63. 7	-----	-----	-----
Colombia-----	20. 1	-----	20. 1	-----	-----	-----
Haiti-----	4. 0	-----	4. 0	-----	-----	-----
Ecuador-----	3. 8	-----	3. 8	-----	-----	-----
Bolivia-----	3. 3	-----	3. 3	-----	-----	-----
Venezuela-----	3. 0	-----	3. 0	-----	-----	-----
Panama-----	2. 0	-----	2. 0	-----	-----	-----
Argentina-----	. 2	-----	. 2	-----	-----	-----
Uruguay-----	. 1	-----	. 1	-----	-----	-----
Other Latin America-----	. 7	-----	. 7	-----	-----	-----

See footnotes at end of table.

TABLE VIII.—*Net credits authorized by the Export-Import Bank,¹ July 1, 1945, to Mar. 31, 1949—Continued*

[In millions of dollars]

Area and country	Total	Reconstruction	Development	Lend-Lease requisitions	Cotton purchases ²	Other
Total, Asia and Africa.....	212.8	36.7	117.1		59.0	
Israel.....	100.0		100.0			
China.....	66.7	33.7			33.6	
Japan.....	26.0				26.0	
Saudi Arabia.....	10.0		10.0			
Egypt.....	7.1		7.1			
Ethiopia.....	3.0	3.0				
Canada.....	145.0		145.0			
Other.....	2.5					2.5

¹ Cancellations and expirations deducted. Numerous small exporter-importer loans extended by the Bank, July 1, 1945, through Mar. 31, 1949, excluded. Also excluded are Mexican authorizations of \$30,000,000 and a Peruvian authorization of \$400,000 approved prior to June 30, 1945, but recorded on the Bank's books subsequent to June 30, 1945.

² Credits extended by Export-Import Bank under general approval of the Council. Hungarian credit of \$7,000,000 canceled Apr. 2, 1947.

³ Excludes participation by private banks.

⁴ For financing tobacco purchases.

⁵ For financing food purchases.

⁶ Revolving credits.

Source: Export-Import Bank.

SUNDRY FINANCIAL PROBLEMS

War Assets Administration foreign credits

As indicated in the previous *Report* of the Council, War Assets Administration credit agreements with foreign governments were originally inaugurated at a time when the agency held in its inventory large amounts of property which it appeared could not then be absorbed by the national economy. Thereafter, when certain of the credit agreements were scheduled to expire, the Administrator of WAA requested the advice of the Council as to the desirability of extending them and the Council approved consideration of their extension until December 31, 1948.

TABLE IX.—*War Assets Administration credit agreements with foreign governments, as of Feb. 28, 1949*

Country	Total credit agreements	Credit approvals Feb. 28, 1949	Unused balances Feb. 28, 1949
Total.....	\$117,255,000	\$19,849,383	\$97,405,616
France.....	53,000,000	6,972,390	43,027,609
Netherlands.....	15,000,000	969,997	14,030,003
Norway.....	12,000,000	631,443	11,368,557
Austria.....	10,000,000	3,346,778	6,653,222
Finland.....	10,000,000	6,565,756	3,434,244
Philippines.....	10,000,000	1,074,633	8,925,367
Pakistan.....	10,000,000	¹ 136,464	9,863,536
Haiti.....	255,000	151,922	103,078

¹ Paid in full with interest on Nov. 10, 1948.

NOTE.—The purchasing period under the Pakistan agreement expired on Apr. 14, 1949. No further purchases have been made under the agreement. The purchasing period under the other agreements expired on Feb. 28, 1949.

Source: War Assets Administration.

In December 1948, War Assets Administration brought to the attention of the Council the fact that certain credit agreements would expire before February 28, 1949, the scheduled date for the liquidation of WAA, and requested the advice of the Council as to the desirability of renewing until this date these credit agreements upon application. Since there was no material change in factors considered at the time of the earlier requests, the Council approved consideration by WAA of the renewal to February 28, 1949, of credit agreements with the Governments of Finland, the Philippines, the Netherlands, Haiti, Norway, Austria, and France upon receipt of applications from these governments.

President's program for underdeveloped areas

In his inaugural address before the Congress on January 20, 1949, the President stated that--

We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas.

The Point IV program, outlined by the President, called for United States Government participation in the form of technical assistance, development loans by United States Government and international lending agencies, and the fostering of United States private investment abroad.

The Point IV program is broadly economic in nature. It recognizes that the greatest contribution to the economic development of underdeveloped areas will have to come from within such territories. By sharing their knowledge and skills, the nations engaged in this joint effort would promote and encourage foreign investments and international trade.

The financial problems relative to the Point IV program have been under consideration by the Council. In particular, the relationship between the capital-investment aspects of this program and methods of developing technical cooperation between nations have been studied. Proposals designed to encourage the flow of private investment capital abroad, particularly relating to (1) the negotiation of treaty provisions covering protection of United States foreign investment, (2) Government guaranties to investors against certain risks, and (3) tax incentives, have received attention during this initial stage of exploration into the possibilities of implementing the program. The President's Committee for Financing Foreign Trade, under the chairmanship of Mr. Winthrop W. Aldrich, has consulted with the Council on those aspects of the program in which there is mutual interest.

Financial aspects of military assistance

In March 1949 the Council reviewed, with particular reference to the possible impact on the European Recovery Program, certain of the financial aspects of the military-assistance program which was under consideration by the Executive Branch of the United States Government.

Joint Brazil-United States Technical Commission

As indicated in the previous *Report* of the Council, the Joint Brazil-United States Technical Commission was created under the authority of President Truman and President Dutra pursuant to the

request of Brazil that technicians of the United States Government collaborate with technicians of the Brazilian Government in an analysis of the factors in Brazil which tended to promote or to retard the economic development of the country. The Commission, engaged in this task since September 1948, completed and submitted its report to the two Governments in February 1949. The report was subsequently made public. Terms of reference to guide the Commission in its study were cited in the preceding *Report* of the Council.

IV. ACTIVITIES OF THE COUNCIL FROM OCTOBER 1, 1948, TO MARCH 31, 1949, RELATING TO THE INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The National Advisory Council, in accordance with statutory authority, continued to coordinate the activities of the United States representatives of the Fund and the Bank with those of other agencies of the Government, by consulting and advising with them on major problems arising in administration of the Fund and the Bank. The United States Executive Directors of these institutions, or their Alternates, have attended the Council's meetings regularly, and have participated continuously in the work of its Staff Committee.

MEMBERSHIP CHANGES IN THE FUND AND THE BANK

During the period under review no new countries were admitted to membership in the Fund or the Bank. In October 1948 the Governors of both institutions considered the membership application of Liberia and, without meeting, voted to accept the Liberian application, providing for a quota in the Fund of \$500,000 and a like amount as a subscription to the Bank. As of March 31, 1949, Liberia had not yet accepted membership in either the Fund or the Bank.

On March 31, 1949, 47 countries were members of the Fund and the Bank. The members, with their quotas and capital subscriptions as of March 31, 1949, are listed in appendix D.

ORGANIZATIONAL CHANGES

On October 30, 1948, the Fund announced the appointment of Mr. Andrew N. Overby to the position of Deputy Managing Director of the Fund. Mr. Overby subsequently resigned as United States Executive Director, and assumed his new duties on February 9, 1949. On February 8, 1949, the President of the United States, with the advice and consent of the United States Senate, appointed Mr. Frank A. Southard, Jr., as United States Executive Director of the Fund. Mr. Southard took office on March 1, 1949.

THE FUND

During the period under review, the Fund not only provided assistance to its members in appropriate instances to meet balance-of-payments deficits on current account, but also utilized extensively the technical skills of its personnel in the solution of complex exchange

problems. Thus, further progress was made in establishing the Fund as the international organization for technical consultation and advice on foreign-exchange problems.

Par values

On December 17, 1948, the Fund announced a change in the par value of the Colombian peso from approximately 1.75 pesos to the United States dollar, to approximately 1.95 pesos to the United States dollar. On March 22, 1949, the Fund also announced that it had concurred in a proposal by the Government of France to change the par value of the currency of French Somaliland from 126 Djibouti francs per United States dollar, to 214.392 Djibouti francs per United States dollar.¹ The United States Executive Director, acting with the approval of the Council, supported these decisions.

Exchange restrictions

France

On October 16, 1948, the Fund reported the results of consultations with the French Government relating to changes in the French exchange system in order to reduce the multiplicity of exchange rates and to unify the procedure applicable to commercial transactions. Under the agreed proposals, exchange rates for trade transactions are based on the effective rate for the dollar, with cross rates for currencies of other members conforming closely to the accepted Fund parities. Differential rates continue only for nontrade transactions in dollars, Swiss francs, and escudos.

Colombia

The change in par value of the Colombian peso in December 1948 was accompanied by certain modifications in the country's existing multiple-currency system. These measures were concurred in by the Fund, which stated that they were an improvement upon the system which Colombia introduced in June 1948, and should have the effect of curbing imports, thereby tending to lessen the drain on Colombia's foreign-exchange resources. The measures were designed to assist in the solution of Colombia's balance-of-payments problem and to remove some of the features of the existing system considered to be in conflict with Fund policies. The new measures provided, among other things, for the abolition of exchange premia for certain major exports, for reducing the exchange surcharges on two of the three categories of private imports, for the provision of exchange for official imports at the parity rate, and for the maintenance of exchange licensing and certain quantitative import controls. Colombia and the Fund have continued consultations with a view to the adoption of measures in the financial and monetary field designed to lead toward further unification, simplification, and strengthening of the Colombian exchange system.

Peru

On December 10, 1948, the Fund approved further changes in Peru's exchange system which were intended to encourage exports and reduce import demand so as to achieve a better balance in Peru's

¹ The par value initially agreed with the Fund of 70 Djibouti francs per United States dollar had been changed to 126 francs to the dollar when the Government of France instituted its new exchange system on January 25, 1948.

international payments. At the same time, the Fund urged Peru to study policies looking toward greater unification of its exchange system.

Union of South Africa

In order to meet a serious drain on its convertible exchange reserves, the Union of South Africa, in November 1948, put into force restrictions on exchange for imports from countries outside the sterling area. In January 1949, after considering the substance of the measures and the circumstances of the member, the Fund agreed to approve the imposition of the restrictions and authorized their maintenance and adaptation to changing circumstances as long as the Fund remains satisfied that they are necessary to safeguard South Africa's external financial position. In its action the Fund gave particular attention to certain discriminatory aspects involved in the South African measures, and is keeping the questions under constant review. In respect to the South African import restrictions imposed in November 1948, the Fund has been in consultation with the Contracting Parties under the General Agreement on Tariffs and Trade (GATT).

Gold sales at premium prices

In February 1949, the Government of South Africa announced that it had contracted to sell abroad 100,000 ounces of semiprocessed gold for industrial purposes at a price in excess of \$35 an ounce. The Fund's policy on such transactions has been that external sales are allowable only if adequate safeguards exist to ensure that the gold is, in fact, used for bona fide and customary artistic, industrial, or professional purposes, and not for speculation and hoarding, and that it is imported in accordance with the gold or exchange laws of the countries concerned. The Fund emphasized that there had been no change in this established policy.

The Fund noted that it had advised South Africa in October 1948 of the desirability of instituting safeguards on external gold sales, similar to those employed by the United States and the United Kingdom. The United States regulations, for example, require that the exporter furnish complete information on the bona fide disposition of the gold, and further, that the proposed importation and payment are in conformity with the laws of the importing country.

During the remainder of the period under review, discussions continued between Fund and South African officials in an attempt to work out a mutually satisfactory solution to this problem.

During the past year, the Fund also consulted with the United Kingdom, which has accepted the Fund Agreement in respect of Southern Rhodesia, regarding a gold-subsidy arrangement which had been established by the territorial government. It was agreed that the arrangement was inconsistent with the Fund's policy, and the Fund

was informed in October 1948 that Southern Rhodesia would undertake to modify its legislation to conform with the Fund's principles.

During the period under review, various other members consulted with the Fund regarding steps which might be taken internally to alleviate the difficulties faced by gold producers, without infringing upon the basic policy respecting international transactions in gold at premium prices.

Fund exchange transactions

During the 6 months, October 1, 1948, through March 31, 1949, the Fund sold \$73,700,000 to five of its member countries. Of the aggregate amount, \$6,100,000 represented a sale to Norway of United States dollars for gold. This was the first time a member country had used the Fund's facilities for the purpose of exchanging gold for another member's currency.

The following table presents a detailed break-down of all Fund currency sales through March 31, 1949:

TABLE X.—*Currency sales of the International Monetary Fund from Mar. 31, 1947, through Mar. 31, 1949*

[In millions of United States dollars]

Country	Total to Mar. 31, 1949	6-month period ending—			
		Mar. 31, 1949	Sept. 30, 1948	Mar. 31, 1948	Sept. 30, 1947
Total, All Countries.....	713.6	73.7	39.8	391.1	309.0
Total, Europe.....	570.2	6.1	23.3	356.8	184.0
United Kingdom.....	300.0			240.0	60.0
France.....	125.0			25.0	100.0
Netherlands.....	75.3		¹ 6.8	44.5	² 24.0
Belgium.....	33.0			33.0	
Norway.....	15.7	¹ 6.1	⁴ 7.1	2.5	
Denmark.....	10.2		3.4	6.8	
Czechoslovakia.....	6.0		6.0		
Turkey.....	5.0			5.0	
Total, Other Countries.....	143.4	67.6	16.5	34.3	25.0
India.....	100.1	55.9	16.2	28.0	
Mexico.....	22.5				22.5
Union of South Africa.....	10.0	10.0			
Chile.....	8.8			6.3	2.5
Ethiopia.....	.3		.3		
Costa Rica.....	1.2	1.2			
Nicaragua.....	.5	.5			

¹ Sale of Belgian francs.

² Includes \$6,000,000 of pounds sterling.

³ United States dollars sold for an equivalent in gold.

⁴ Includes \$4,600,000 of Belgian francs.

NOTE.—Except where otherwise indicated, all sales were of United States dollars in exchange for the currency of the purchasing country.

Source: International Monetary Fund.

THE BANK

In furtherance of its primary function of facilitating the flow of international investment funds, the International Bank has done much, during the period under review, to assist members to draw up practical long-range programs adapted to their needs, as well as to suggest measures for improving their credit standing and financial stability.

Loans and disbursements

On January 6, 1949, the Bank granted two loans totaling \$34,100,000 for electric power development in Mexico. The joint borrowers in each case were the Comision Federal de Electricidad (Federal Electricity Commission) and Nacional Financiera, and both loans were guaranteed by the Mexican Government. The larger loan of \$24,100,000, to be used directly by the Federal Electricity Commission, is for a term of 25 years at an interest rate of 3½ percent, plus a 1 percent annual commission charge to be set aside in the Bank's special reserve fund in accordance with its Articles of Agreement. Amortization payments, calculated to retire the loan by maturity, will begin in the fifth year. The smaller loan, \$10,000,000, was to be re-lent to the Mexican Light & Power Co., Ltd. Due to an impending reorganization of the Light & Power Co., this loan is expected to cover expenditures for company expansion plans only to December 31, 1949, and is due for repayment on that date. As in the case of the larger loan, it carries an interest rate of 3½ percent, plus the usual 1 percent commission charge. The Bank stated that, should the reorganization be satisfactorily completed in 1949, and other conditions warrant, it would consider negotiating a long-term loan to finance the remainder of the foreign-exchange costs of the program and refunding the short-term credit.

On January 27, 1949, the Bank announced a loan of \$75,000,000 to the Brazilian Traction, Light & Power Co., Ltd., a Canadian corporation, to assist in financing the expansion of hydroelectric power and telephone facilities in Brazil. The total cost of the expansion program is estimated at about the equivalent of \$195,000,000 over the next 4 or 5 years, of which it is anticipated that approximately \$120,000,000, principally local currency costs, will be financed from the company's own resources. The loan, guaranteed by the United States of Brazil, is for a term of 25 years, and carries an interest rate of 3½ percent, plus a commission of 1 percent. Amortization of principal will begin on July 1, 1953, and is calculated to retire the loan by maturity. In connection with this loan, the Canadian Government gave its consent to the use of an amount not exceeding 8 million Canadian dollars out of Canada's subscription to the Bank's capital, and the Government of the United Kingdom gave its consent to the use of an amount not exceeding £500,000 out of the United Kingdom's subscription. The Bank expects to disburse these sums for purchases made by the Company in Canada and the United

Kingdom, respectively. The Brazilian Traction loan became effective on May 9, 1949, subsequent to ratification by the Brazilian Government.

On February 28, 1949, the Bank granted a loan of \$16,000,000 to the Kingdom of Belgium for the purchase of steel and electric-power equipment. This loan will be used to finance the foreign-exchange costs for the construction of steel-mill facilities and the erection of a power plant in the Liege industrial district. The loan is for a term of 20 years, and carries an interest rate of 3½ percent, plus 1 percent commission. Amortization payments, calculated to retire the loan by maturity, start in the fifth year. The Bank pointed out that the extension of this loan was in conformity with its policy of supplementing the European Recovery Program by financing permanent additions to European productive capacity reflected in projects affording reasonable prospects of repayment.

From May 9, 1947, when the Bank made its first loan, through March 31, 1949, loan commitments of the International Bank aggregated slightly over \$650,000,000. As shown in the following tabulation, more than two-thirds of this amount had been disbursed by March 31, 1949:

TABLE XI.—*Status of International Bank loans as of Mar. 31, 1949*

Borrower	Loan commitment	Disbursement	Unused balance of commitment
Total, All Loans	\$650, 100, 000	\$508, 312, 928	\$141, 757, 072
Credit National (France).....	250, 000, 000	250, 000, 000	-----
Kingdom of the Netherlands.....	195, 000, 000	195, 000, 000	-----
Brazilian Traction, Light & Power Co., Ltd. ¹	75, 000, 000	-----	75, 000, 000
Kingdom of Denmark.....	40, 000, 000	40, 000, 000	-----
Financiera and Comision (Mexico) ²	34, 100, 000	1, 832, 818	32, 267, 182
Kingdom of Belgium.....	16, 000, 000	-----	16, 000, 000
Corporacion de Fomento (Republic of Chile) ³	16, 000, 000	-----	16, 000, 000
Grand Duchy of Luxembourg.....	12, 000, 000	9, 510, 110	2, 489, 890
Netherlands shipping companies ⁴	12, 000, 000	12, 000, 000	-----

¹ Loan guaranteed by the United States of Brazil, and effective May 9, 1949, after ratification by the Brazilian Government.

² Loans guaranteed by the Government of Mexico. Nacional Financiera and Comision Federal de Electricidad are joint borrowers.

³ Effective Apr. 7, 1949, after ratification by the Chilean Government.

⁴ Loans guaranteed by the Kingdom of the Netherlands.

Source: International Bank for Reconstruction and Development.

Sales of guaranteed obligations

In January 1949, the Bank announced the private sale with its guaranty of \$2,200,000 in 2½ percent serial mortgage notes which had been held in its portfolio since August 1948, when a \$12,000,000 loan was made to four Netherlands shipping companies. Of the latter amount, \$8,100,000 of guaranteed notes had been purchased from the Bank immediately by a group of 10 United States commercial and savings banks. A similar transaction occurred on March 28,

1949, when the Bank guaranteed and sold to private investors the \$16,000,000 of 3 percent bonds of the Kingdom of Belgium, which it had received in connection with the loan to Belgium. In accordance with the Articles of Agreement, all of these guaranteed obligations were sold in the United States only after obtaining the consent of the United States Government.

In view of the fact that the \$12,000,000 loan to the Netherlands shipping companies was made out of the 18 percent United States capital subscription, a further United States consent was required. In response to a request from the Bank, the United States Government informed the Bank that it would interpose no objection to the use by the Bank in making loans with all or any part of the proceeds of the guaranteed securities arising from this transaction. The United States, however, expressed its desire to be consulted in the future before the Bank relends any of the funds originally derived from the 18 percent subscription of the United States and recovered by the Bank through the sale of other securities.

Repayments

On January 15, 1949, four Netherlands shipping companies made a payment of \$600,000 to the banks holding the 2½ percent guaranteed serial mortgage notes which had been received by the International Bank in connection with the loans made to these companies, and which were subsequently sold with the Bank's guaranty. This represents the first repayment of principal by a borrower under one of the Bank's loan contracts.

Legislation

As previously reported, the Council agreed to support, by appropriate steps, amendment of the Securities Act of 1933 and the Securities Exchange Act of 1934, so as to exempt securities issued or guaranteed by the International Bank from those acts, and to support the amendment of the National Bank Act so as to permit dealing in these securities by member banks of the Federal Reserve System (subject to existing limitations on the total amount of securities of any one obligor that a member bank may hold at any one time). Bills to accomplish this purpose were introduced in the Eighty-first Congress.

Fiscal operations

For the 9 months' period ending March 31, 1949, the Bank reported a net income of approximately \$7,400,000 plus \$3,700,000 placed into the special reserve. During the comparable period ending March 31, 1948, the Bank's net income was \$2,200,000 exclusive of \$2,000,000 set aside in the special reserve. As of March 31, 1949,

the Bank had an earned surplus of over \$10,400,000, and nearly \$6,800,000 in its special reserve.

Future lending

As of March 31, 1949, the Bank had uncommitted loanable dollar funds amounting to approximately \$385,000,000, and had on hand numerous loan requests at various stages of investigation and completion. As evidenced by its activities during the period under review, the Bank now has progressed well into the developmental phase of its lending program. Additional use also has been made of the Bank's guaranty power, which serves the same purpose as would an increase in available loan funds. The Bank may be expected, in the future, to assume an increasingly greater share of the financial burden of world-wide developmental and modernization programs.

JOHN W. SNYDER,

*Secretary of the Treasury, Chairman of the National Advisory
Council on International Monetary and Financial Problems.*

DEAN ACHESON,

Secretary of State.

CHARLES SAWYER,

Secretary of Commerce.

THOMAS B. McCABE,

Chairman of the Board of Governors of the Federal Reserve System.

HERBERT E. GASTON,

*Chairman of the Board of Directors of the Export-Import Bank
of Washington.*

PAUL G. HOFFMAN,

Administrator for Economic Cooperation.

APPENDIX A

SECTIONS OF THE BRETTON WOODS AGREEMENTS ACT RELATING TO THE NATIONAL
ADVISORY COUNCIL

(59 Stat. 512; 22 U. S. C. 286b)

[For sections 4 and 14 of the act, omitted here, see the full text of the act in the Annual Report of the Secretary of the Treasury for 1945, beginning on page 382.]

SECTIONS OF THE FOREIGN ASSISTANCE ACT OF 1948 RELATING TO THE NATIONAL
ADVISORY COUNCIL

(62 Stat. 169; 22 U. S. C. 286b (a), 1509, 1513)

[For sections 106, 111 (c) (1) and (2), and 115 (b) (6) of the act, see the Annual Report of the Secretary of the Treasury for 1948, beginning on page 262.]

APPENDIX B

TABLE XII.—*Estimated gold and short-term dollar resources of foreign countries, as of Dec. 31, 1948*

[In millions of dollars]

Area and country	Total	Gold ¹	Short-term dollar balances
Total, All Areas ²	14,863	9,049	5,814
Total, Europe (excluding sterling area)	6,196	4,214	1,982
Total, ERP Participants (excluding sterling area)	5,355	3,535	1,820
Austria.....	61	49	12
Belgium, Luxembourg, and Belgian Congo.....	821	647	174
Denmark.....	77	32	45
France and dependencies.....	792	571	221
(France).....	(744)	(551)	(193)
(Dependencies) ³	(48)	(20)	(28)
Germany.....	179	.....	179
Greece.....	27	6	21
Italy.....	422	96	326
Netherlands, Netherlands West Indies, and Surinam.....	361	214	147
Norway.....	130	52	78
Portugal and dependencies.....	285	238	47
Sweden.....	130	81	49
Switzerland.....	1,886	1,387	499
Trieste.....	4	.....	4
Turkey.....	180	162	18
Total, Other Europe	841	679	162
Bulgaria.....	26	25	1
Czechoslovakia.....	46	17	29
Finland.....	25	6	19
Hungary.....	36	35	1
Poland.....	71	60	11
Rumania.....	223	216	7
Spain and dependencies.....	125	111	14
Union of Soviet Socialist Republics.....	21	(⁴)	21
Yugoslavia.....	45	25	20
Other Europe and unidentified ⁴	223	184	39
Total, British Commonwealth (including other sterling area)	4,090	2,574	1,516
Sterling area countries in ERP.....	2,231	1,602	629
Iceland.....	2	1	1
Ireland.....	23	11	12
United Kingdom.....	2,136	1,590	546
United Kingdom dependencies.....	70	(⁴)	70
Other sterling area.....	672	562	110
Australia.....	108	86	22
Burma.....	1	(⁴)	1
Ceylon.....	1	(⁴)	1
India.....	308	256	52
Iraq.....	3	(⁴)	3
New Zealand.....	28	23	5
Pakistan.....	24	14	10
Union of South Africa.....	199	183	16
Canada and Newfoundland.....	1,187	410	777

See footnotes at end of table.

TABLE XII.—*Estimated gold and short-term dollar resources of foreign countries, as of Dec. 31, 1948—Continued*

[In millions of dollars]

Area and country	Total	Gold ¹	Short-term dollar balances
Total, Africa ⁶	102	55	47
Egypt and Anglo-Egyptian Sudan.....	81	53	28
Ethiopia.....	4	2	2
Tangier.....	17	(⁴)	17
Total, Asia ^{2 6}	1,715	719	996
Afghanistan.....	41	37	4
Indonesia.....	218	177	41
Iran.....	163	140	23
Israel.....	16	(⁴)	16
Japan.....	288	206	82
Korea (southern).....	25	(⁴)	25
Palestine (Arabian).....	2	(⁴)	2
Philippine Republic.....	489	1	488
Saudi Arabia.....	17	(⁴)	17
Siam.....	94	34	60
Other Asia and unidentified.....	362	124	238
Total, Latin America ⁶	2,744	1,487	1,257
Argentina.....	357	141	216
Bolivia.....	40	23	17
Brazil.....	441	317	124
Chile.....	99	43	56
Colombia.....	105	51	54
Cuba.....	508	289	219
Dominican Republic.....	40	4	36
Ecuador.....	31	21	10
El Salvador.....	34	15	19
Guatemala.....	55	27	28
Honduras.....	4	—	4
Panama.....	72	—	72
Paraguay.....	3	—	3
Peru.....	73	20	53
Uruguay.....	202	164	38
Venezuela.....	444	322	122
Other Latin America and unidentified.....	236	50	186
Unidentified, All Areas.....	16	(⁴)	16

¹ Official gold holdings: For countries whose current holdings have not been published, available estimates have been used, or the figures previously published or estimated have been carried forward.

² Excludes holdings of the International Monetary Fund, the International Bank for Reconstruction and Development, and other international organizations. Total gold and short-term dollar balances of international organizations on this date were \$3,376,000,000, consisting of \$1,472,000,000 in gold and \$1,904,000,000 in short-term dollar balances. Also excludes gold holdings of the U. S. S. R.

³ French Indo-China is included under French dependencies.

⁴ No estimate made.

⁵ Includes gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold to claimant countries, including European Recovery Program countries, in accordance with the Paris Reparations Agreement.

⁶ Excludes sterling-area countries and dependencies of European countries.

⁷ Includes approximately \$82,000,000 in gold which other countries claim Japan held on earmark for them.

NOTE.—*Gold*: Data represent total holdings of governments, central banks, and other official institutions without regard to location of holdings.

Short-term dollar balances: Composed principally of deposits in United States banks and holdings of U. S. Government Treasury bills and certificates.

Source: Treasury Department and Board of Governors of the Federal Reserve System.

TABLE XIII.—*Gold transactions between the United States and other countries, Jan. 1, 1946, through Dec. 31, 1948*[+ equals net purchases; ¹ — equals net sales ¹]

[In millions of dollars at \$35 per fine troy ounce]

Area and country	Net total 4 years	Year ending Dec. 31—			
		1948	1947	1946	1945
Total, All Areas.....	+4,642.8	+1,510.0	+2,864.4	+721.3	-452.9
Total, Europe.....	+2,651.5	+926.8	+1,475.6	+81.6	+167.5
United Kingdom.....	+1,141.2	+734.3	+406.9	— .2	(²)
France.....	+558.9	+15.8	+264.6	(²)	+278.5
Sweden.....	+321.2	+3.0	+238.0	+80.2	-----
Belgium.....	+337.9	+69.8	+222.8	+14.2	+31.1
Netherlands.....	+171.5	+40.7	+130.8	-----	-----
Portugal.....	+121.1	+63.0	+116.0	-10.0	-47.9
Turkey.....	+49.6	+10.4	+56.2	-7.0	-10.0
U. S. S. R.....	+35.8	-----	-----	+35.8	-----
Poland.....	+28.4	+1.0	+27.4	-----	-----
Norway.....	+20.7	-----	+3.6	+17.1	-----
Denmark.....	+3.0	-----	-----	-----	+3.0
Czechoslovakia.....	-2.1	-----	(²)	-2.1	-----
Greece.....	-4.1	+ .2	+ .1	-4.4	-----
Vatican City.....	-14.9	-----	- .6	-12.1	-2.2
Switzerland.....	-112.3	-5.6	+10.0	-29.9	-86.8
Other Europe.....	-4.2	-5.8	- .2	-----	+1.8
Total, Latin America.....	+588.1	+81.2	+808.4	+171.0	-472.5
Argentina.....	+769.9	+114.1	+727.5	+153.2	-224.9
Mexico.....	+120.1	+61.6	+45.4	+36.9	-23.8
Colombia.....	+52.8	+15.5	+60.0	-5.2	-17.5
Chile.....	+25.2	+ .3	+8.7	+18.4	-2.2
Brazil.....	-34.8	-----	+ .1	-10.0	-24.9
Uruguay.....	-7.0	+10.7	+25.1	-4.9	-37.9
Venezuela.....	-194.0	-108.0	-3.7	-9.2	-73.1
Cuba.....	-190.0	-10.0	-65.0	-30.0	-85.0
Other Latin America.....	+45.9	-3.0	+10.3	+21.8	+16.8
Total, Asia and Oceania.....	-177.6	-4.1	+1.1	+13.7	-188.3
Afghanistan.....	-18.0	-----	-----	-2.0	-16.0
China.....	-186.5	-----	- .7	- .5	-185.3
Other Asia and Oceania.....	+26.9	-4.1	+1.8	+16.2	+13.0
North America: Canada.....	+685.9	(²)	+311.2	+337.9	+36.8
Africa: Union of South Africa.....	+848.9	+498.6	+256.0	+94.3	-----
International Bank.....	+18.8	+1.2	+1.5	+16.1	-----
Unallocated.....	+27.2	+6.3	+10.4	+6.8	+3.7

¹ By the United States.² Less than \$50,000.

NOTE.—Figures will not necessarily add to totals because of rounding.

Source: Office of International Finance, Treasury Department.

APPENDIX C

STATISTICAL TABLES ON UNITED STATES GOVERNMENT POSTWAR FOREIGN LOANS
AND OTHER CREDITS, AND GRANTS

EXPLANATORY NOTE

The data in this appendix relate to loans and other credits and to grants provided by the United States Government to foreign governments and entities from July 1, 1945, through December 31, 1948. Because there were some credits and grants of a peacetime character between July 1, 1945, and VJ-day, and data are readily available only on a quarterly basis, a beginning date of July 1, 1945 (except for lend-lease data, which have a beginning date of September 2, 1945), has been adopted for the postwar period.

The statistical tables presented in this appendix and this explanatory note were prepared by the Clearing Office for Foreign Transactions, Office of Business Economics, Department of Commerce, in consultation with the International Statistics Division, Office of International Finance, Treasury Department, on the basis of the latest information available from Government agencies reporting to the Clearing Office.

Items which are necessarily based on estimates, particularly all lend-lease grants and some lend-lease and surplus-property credits, have been adjusted or qualified on the basis of information received to the date of preparation of these tables, and are subject to future adjustments.

Foreign aid has in some instances been extended subject to future settlement which may or may not ultimately result in repayments. Aid rendered on this basis is included with grants in this appendix, and constitutes approximately half of the total grants during the postwar period.

The following credits are excluded from the data in the tables: short-term credits (less than 6 months for credits of the Office of the Foreign Liquidation Commissioner and the War Assets Administration; and 90 days or less for all other agencies), the revolving special exporter-importer credits of the Export-Import Bank, and advance payments on commodity-procurement contracts. Also excluded are several operations of the United States Government abroad which are sometimes called grants, including the waiver to France of vessels intended as reparations to the United States from Germany, the return of reparation vessels to Italy, payments to the joint commission fighting foot-and-mouth disease in Mexico, and payments abroad of pensions, annuities, dependency allotments, and certain claims.

Transactions Covered

The following types of United States Government transactions are included in this appendix:

1. Credits.—These include:

(a) *Loans.*—These (except for loans extended by the Economic Cooperation Administration) represent cash loans to foreign governments, and to private entities in foreign countries, which result in debtor-creditor relationships, anticipating repayments of principal and usually payments of interest. Direct loans by the Export-Import Bank and other Government agencies and disbursements of agent banks on loans fully guaranteed by the Export-Import Bank are included. In the case of the Economic Cooperation Administration, loans represent the aid extended to European Recovery Program participants on a credit basis.

Loans of the Economic Cooperation Administration originate in commitments made by the Administrator but the loans are made by the Export-Import Bank as agent for the Economic Cooperation Administration.

Loans of the Export-Import Bank originate in commitments or authorizations resulting from approval of loans by the Board of Directors. These included, as of December 31, 1948, certain loans which had not been formalized by executed

contracts or agreements. These commitments, included in the appendix tables, are as follows:

Total -----	\$131, 668, 076
<i>ERP Countries:</i>	
Turkey-----	10, 152, 507
Unallotted European cotton credits---	19, 402, 969
<i>Latin America:</i>	
Brazil-----	27, 396, 000
Chile-----	21, 575, 000
Haiti-----	4, 000, 000
Mexico-----	24, 000, 000
Venezuela-----	2, 337, 697
Uruguay-----	141, 600
Unallotted Latin America-----	22, 662, 303

(b) *Property credits.*—These represent credits extended abroad in the disposal of surplus property, including merchant ships, and in the settlement for lend-lease articles and services. These extensions of credit result in debtor-creditor relationships, anticipating payments of principal and, in most cases, of interest.

In analyzing surplus-property and lend-lease credits, consideration should be given to the **Special Notes on Property Credits** which appear subsequently in this Explanatory Note.

Certain property-credit settlements and agreements provide for undertakings by the foreign government, other than in the form of payment of United States dollars, which, when completed will constitute a discharge of the whole or a part of its obligation to the United States Government. Provisions governing the collection of principal and interest vary and may call for payment in the form of different combinations of United States dollars, real property, improvements to real property, services, and foreign currencies. Collections shown in the tables do not include the undertakings of foreign governments, except to the extent that they have been reported as completed. Reporting usually lags behind actual deliveries of real property and foreign currencies.

(c) *Commodity programs.*—These are included with property credits and represent credits resulting from commodity shipments by the United States Government to the military governments for western Germany and Japan. The major commodity advanced to Germany and the only commodity advanced to Japan under these programs was raw cotton, made available by the Commodity Credit Corporation of the Agriculture Department through the U. S. Commercial Company, a subsidiary of the Reconstruction Finance Corporation. The final shipments were made to Germany in July 1947 and to Japan in January 1948. In December 1947 the programs were transferred from the U. S. Commercial Company to the Army Department. As of December 31, 1948, payment in full for all shipments, handling charges, and administrative expenses had been reported.

A commodity program, intended to replace the programs described above, was authorized in Public Law 820, approved June 29, 1948. This act authorized a revolving fund of \$150,000,000 for the Army Department, as a public debt transaction, for the purchase of natural fibers (and materials used in processing and finishing such fibers) to be processed in occupied areas and sold. Through March 31, 1949, no commitments had been made under this congressional authorization.

2. *Grants.*—These represent aid by the United States Government to foreign governments or other entities for which no repayment is expected or for which repayment terms are currently indeterminate. Supplies furnished to foreign governments or entities are shown at actual or estimated *landed cost* abroad, which is defined to include all costs chargeable to the United States Government for delivery at the end of ship's tackle at the port of final debarkation. Services generally are reported at the estimated cost. Specifically, the grants included in this appendix are the following:

(a) *Economic cooperation.*—These represent aid provided by the Economic Cooperation Administration, on other than a credit basis, furnished under title I and section 404 (a) of title IV of the Foreign Assistance Act of 1948. Title I of this

act, Public Law 472, authorizes the European Recovery Program, and title IV is the authority for the Chinese assistance program. Where goods have been shipped to a dependent area, the aid has been shown as rendered to the parent country. The amount shown as utilized for *Unallocated ERP* represents the dollar administrative expenses of the ECA.

(b) *Relief* (other than civilian supplies).—These represent grants furnished by the United States Government for relief abroad directly to a recipient area or to international or national agencies (in particular to UNRRA, the International Children's Emergency Fund, the Intergovernmental Committee on Refugees, the International Refugee Organization, and the American Red Cross).

The data included as relief and rehabilitation provided through UNRRA cover only those goods, services, and funds provided by the United States Government. In most cases UNRRA shipments were destined for the country where they were to be used, and data are reported accordingly. In some instances, however, goods were later transshipped and the country of destination, which is reported in these tables, was not the country actually utilizing the supplies. The dollar value of supplies, as transshipped, is small relative to the total. Included in *Unallocated, International Organizations* in the tables, is the aggregate of approximately \$365,000,000, representing the administrative costs and unclassified shipments of UNRRA plus the contributions in dollars given UNRRA for use wherever needed.

The State Department administers contributions to the International Children's Emergency Fund, authorized under Public Law 84 and title II of Public Law 472. Appropriations and President's Emergency Fund allocations have been available to the State Department for transfer to the Intergovernmental Committee on Refugees, and appropriations have been made for participation in the International Refugee Organization. These are shown in the tables as *Unallocated, International Organizations*.

The data included for American Red Cross cover only supplies provided by United States Government procuring agencies with appropriated funds. Included also in relief are data on the post-UNRRA relief programs authorized by Public Law 84, approved May 31, 1947, and on the interim-aid program authorized by Public Law 389, approved December 17, 1947. Terminal administration of these two programs is under the Economic Cooperation Administration. In the appendix tables, \$2,000,000 of the \$10,000,000 total American Red Cross aid, and \$3,000,000 of the total \$278,000,000 post-UNRRA relief is shown as *Unallocated, All Areas*. These represent undistributable American Red Cross aid, administrative expenses of the post-UNRRA program, and reimbursements under the post-UNRRA program to American voluntary relief organizations for ocean freight expenditures incurred in sending aid abroad. Goods, services, and funds provided by private persons or organizations, even though furnished through Government-approved organizations, are excluded from these data.

(c) *Civilian supplies*.—These represent principally supplies furnished by the United States Army for civilian use abroad to prevent disease and unrest in occupied areas; issues of supplies by the Navy Department on the Pacific Islands; and supplies financed out of lend-lease appropriations and furnished to the Army Department for Italian relief.

Army Department data include all reported shipments of civilian supplies plus net diversions abroad from military stocks. Also included is the value of incentive materials provided Germany and Japan. Services rendered to civilians are not included because of the infeasibility of segregating the cost of such services from the cost of regular military operations. Shipments have been shown by individual country, except for the United States and British zones of the European theater, which have been shown in the appendix tables as *Unallocated ERP*.

Navy Department figures show deliveries of civilian supplies to reported areas. An adjustment of these figures has been made by the Navy Department to cover diversions to or from other stocks.

To assist the United States Army in furnishing relief and rehabilitation supplies for Italy, \$100,000,000 of lend-lease funds was made available in 1945. Since Italy had not been designated as eligible for lend-lease aid, these supplies were turned over to the Army as an intermediary in distribution. To pay for the transportation of these lend-lease financed supplies, an additional \$40,000,000 was earmarked from lend-lease funds. Data have been adjusted to exclude these transactions from lend-lease, and include them under civilian supplies.

(d) *Lend-lease*.—The figures in this appendix for lend-lease aid represent the estimated value of such aid furnished on a grant basis (often referred to as

"straight" lend-lease) during the period September 2, 1945, to March 31, 1948. (Lend-lease data as of March 31, 1948, were the most recent available at the time of compilation of these appendix tables.) Lend-lease grants are broken down by requisitioning governments and are shown only against the United Kingdom for the British Commonwealth, against France for all French areas, etc.

Although governments of other nations provided some aid in the postwar period to the United States in the form of reverse lend-lease, such assistance received has not been offset against the assistance furnished because complete reverse lend-lease data are not available.

The amount shown as *Unallocated, All Areas*, represents principally losses on inventories and facilities, and miscellaneous charges, including administrative expenses.

(c) *Other grants*.—The remaining other grants include—

1. Aid in cultural and economic programs for the American Republics, representing principally programs instituted by agencies whose functions have been consolidated in the Institute of Inter-American Affairs in the State Department.

2. Financial aid to China under Public Law 442, approved February 7, 1942, which directed that \$500,000,000 be provided to China to assist in prosecuting the war against Japan and in stabilizing the Chinese economy. This program was administered by the Treasury Department and approximately \$120,000,000 of aid was provided in the postwar period.

3. Aid to China under section 404 (b) of Public Law 472, approved April 3, 1948, which authorized the President to provide \$125,000,000 in military aid to China.

4. Military and economic aid to Greece and military aid to Turkey under Public Law 75, approved May 22, 1947, and military aid to both countries under title III of Public Law 472, approved April 3, 1948.

5. Aid to the Philippines under the first three titles of the Philippine Rehabilitation Act of 1946, which authorizes disbursements for compensation for private war-damage claims under title I, surplus-property transfers under title II, and disbursements for the restoration and improvement of public property and essential public service under title III.

Definitions

Because of the wide variety of transactions and differences in the accounting procedures of the various Government agencies, it is not possible to prepare simple definitions applicable to all cases, but the classifications used are as consistent in principle as could be achieved.

1. *Utilized* represents for—

(a) **LOANS:**

1. *Economic Cooperation Administration*.—The amount of aid extended on a credit basis, based upon calculations by the Economic Cooperation Administration. This aid, except to Iceland, was extended originally on an indeterminate basis out of appropriated funds. While the utilization shown does not represent either (1) disbursements out of public debt funds (except in the case of Iceland), as reported by the Export-Import Bank, or (2) reimbursements of advances from appropriated funds, as reported by the Economic Cooperation Administration, it is eventually incorporated into the fiscal records of both agencies by the disbursement of public debt funds and the reimbursement of appropriated funds. Subsequent to December 31, 1948, the allocations between loan and grant utilizations, particularly in the case of Belgium, were subject to minor adjustments, due to pending amendatory loan agreements.

2. *All other agencies*.—The amounts disbursed under the terms of the agreements.

(b) **PROPERTY CREDITS, INCLUDING COMMODITY PROGRAMS:**

1. *Lend-lease*.—The inventories of lend-lease goods in the hands of civilian agencies of recipient governments at VJ-day and billings to foreign governments for post-VJ-day shipments under pipe-line agreements. In many cases these amounts have been determined by war-account settlement agreements. In the case of Liberia, utilization represents expenditures reported by the Navy Department to the Treasury Department.

2. *Office of the Foreign Liquidation Commissioner surplus-property credits*.—The full amount of bulk-sale credit agreements plus the amounts involved in sales contracts signed under other credit agreements, regardless of the time of delivery

of the property. In most cases, however, these amounts are subject to adjustment upon final delivery of the property and final documentation and accounting.

3. *Maritime Commission ship-sale credits*.—The principal amount of mortgages received by the Commission from foreign purchasers of merchant ships.

4. *War Assets Administration surplus-property credits*.—The amounts involved in sales contracts signed under credit agreements, regardless of the time of delivery of the property. In some cases, these amounts are subject to adjustment, pending final delivery and accounting.

5. *Commodity programs for Germany (western) and Japan*.—The value of the raw materials shipped, plus shipping costs, handling charges, and administrative expenses.

(c) **GRANTS:**

1. *Economic Cooperation Administration*.—Shipments in the case of United States Government procurement, and expenditures in the case of cash reimbursements to foreign countries or to United States banks extending credits to foreign countries under an ECA letter of commitment.

2. *Other grants*.—Shipments in the case of United States Government procurement, and expenditures in the case of cash disbursements to foreign countries.

2. *Unutilized* represents for—

(a) **LOANS AND OTHER CREDITS:**

The difference between net agency authorizations (cumulative gross authorizations less cumulative expirations and cancellations) and the amount utilized. In addition, there is included, as unallocated on a country basis, for the—

1. *Economic Cooperation Administration*.—The uncommitted loan and guaranty authority. This is the difference between the \$1,000,000,000 authorized by title I of the Foreign Assistance Act of 1948 (Public Law 472) as a public debt transaction and the loans authorized or committed by the Economic Cooperation Administration. This \$1,000,000,000 (authorized for the purpose of extending assistance to European Recovery Program participating countries on a credit basis and of making guaranties) has been considered as the amount available for credits. Of the amount shown as unallocated at December 31, 1948, there is included a maximum contingent liability of \$1,259,800 on guaranty contracts signed.

2. *Export-Import Bank*.—The uncommitted lending authority, i. e., the difference between the statutory lending authority of the Bank, and the sum of the outstanding indebtedness to the Bank plus the unutilized authorizations of the Bank.

3. *Army Department*.—The uncommitted commodity-program credit authority.

(b) **GRANTS:**

1. *Civilian supplies*.—An estimate based on the unexpended appropriation programmed for this purpose.

2. *Post-UNRRA program*.—The unexpended obligation for ocean transportation of supplies donated to or purchased by American voluntary relief agencies.

3. *Interim-aid program*.—The \$1,000,000 known to have been transferred between December 31, 1948, and March 31, 1949, to augment the economic cooperation program for Trieste.

4. *Institute of Inter-American Affairs*.—The difference between the agreed aid and the amount utilized (agreements have been signed to provide specific amounts of aid).

5. *Other active programs*.—The difference between the appropriation and the amount utilized. In the case of the Economic Cooperation Administration, the \$4,000,000,000 appropriated in Public Law 793 for the purpose of extending assistance to European Recovery Program participating countries on a grant or (under certain conditions) credit basis has been considered as the amount available for grants. In those instances where programs have been obviously completed, although the recorded grants utilized are short of the final total, the computed unutilized amount has been adjusted to zero.

3. *Outstanding indebtedness* represents the net of credits utilized less repaid. The data necessarily include the results of transactions taking place before July 1, 1945. Indebtedness arising out of World War I, however, is excluded.

4. *Authorized* represents, for the period July 1, 1945, through December 31, 1948, the gross amount of loans and other credits authorized or committed, as well as any increase in prior authorizations or commitments. This includes all loans

and other credits approved by the responsible officials of Government agencies from available funds even if they had not been formalized by signed credit agreements. Because the lack of formal agreement may become important in some instances, the amounts in this category as of December 31, 1948, included in table XIX are tabulated under **Transactions Covered** of this Explanatory Note. Included also in authorized are (1) the increase between July 1, 1945, and December 31, 1948, in the uncommitted lending authority of the Export-Import Bank, (2) the uncommitted loan and guaranty authority of the Economic Cooperation Administration at December 31, 1948, and (3) the uncommitted commodity-program credit authority of the Army Department at December 31, 1948.

5. **Expired and canceled** represents all expirations and cancellations of authorizations or commitments occurring during the period from July 1, 1945, through December 31, 1948, regardless of whether the loan or other credit was authorized prior or subsequent to July 1, 1945.

6. **Repaid** represents payments on principal only, including repayments on loans and other credits utilized prior to July 1, 1945, but excluding repayments on debts arising out of World War I.

Special Notes on Property Credits

As previously pointed out, the data presented in the tables under surplus-property and lend-lease credits are subject to the following qualifications for individual countries:

1. **Belgium.**—The final amount of the Foreign Liquidation Commissioner credit will depend on the proceeds received from the resale of surplus property by the Belgian Government. The figures shown for credit committed and utilized (\$49,000,000) are based upon original estimates. These figures may ultimately be revised downward by approximately \$10,000,000, based on current estimates of the proceeds from resale of United States surplus property by the Belgian Government for the joint account of the two countries.

2. **France.**—The \$420,000,000 credit, assignable to lend-lease under the war-account settlement agreement of May 28, 1946, was not a fixed amount but was an estimate subject to later adjustment pending final determination of the amount of goods delivered. The utilization shown in the tables (\$370,705,946) represents the net billings to December 31, 1948, under the agreement of May 28, 1946. A final determination was subsequently made in the agreement signed March 14, 1949, which fixed the obligation of France assignable to lend-lease at \$353,300,000.

3. **Germany (western).**—The Foreign Liquidation Commissioner credit of \$183,750,000 for bizonal Germany shown as committed and utilized will ultimately be adjusted downward due to a substantial deficiency of deliverable property under the bulk-sale agreement, dated January 23, 1948. This deficiency is due in a large degree to the withdrawal of property previously declared surplus by the Army because of a reclassification of arms, ammunition, and implements of war in Presidential Proclamation 2776, effective April 15, 1948. Tables have not been adjusted to reflect the current estimate of total utilization under this bulk sale which is approximately \$85,000,000, subject to further revision in final accounting.

4. **Italy.**—The Foreign Liquidation Commissioner credit to Italy shown as committed and utilized in the amount of \$178,000,000 will ultimately be adjusted downward due to a deficiency in deliveries under the first bulk-sale agreement (\$160,000,000), dated September 9, 1946. The current estimate of total utilization on both bulk sales is approximately \$141,000,000. Tables have not been adjusted accordingly.

5. **Netherlands.**—Lend-lease credits committed and utilized are stated in the amount of \$48,000,000, the agreed net indebtedness established by the war-account settlement with the Netherlands dated May 28, 1947. This includes \$840,000 due for surplus property sold by the Foreign Liquidation Commissioner in January 1947. The difference between the \$65,000,000 unutilized lend-lease credit reported as of June 30, 1945, and the \$48,000,000 war-account settlement credit, has been shown as a cancellation of credit commitments.

6. **United Kingdom.**—The lend-lease credit commitment shown in the amount of \$590,000,000 represents the amount assigned to lend-lease in the war-account

settlement agreements with the United Kingdom dated December 6, 1945, and March 27, 1946. This amount was composed of \$472,000,000, regarded as the "fixed" amount, and \$118,000,000, subject to future accounting adjustments representing the net estimated amount of the lend-lease and reverse lend-lease pipe lines, less the net claims.

A later agreement with the United Kingdom, signed July 12, 1948, set \$90,446,911 as the amount to be paid to the United States Government to replace the previous estimated amount of \$118,000,000. This reduction of \$27,553,089 has been shown as a cancellation of the original commitment.

7. *U. S. S. R.*—The gross lend-lease commitment represents the original estimated value of articles and services on order and not transferred as of VJ-day, which were designated for transfer on a credit basis; the cancellation represents a downward revision in the original estimate.

8. *China.*—The gross lend-lease commitment represents the original estimated value of lend-lease articles and services on order and not transferred as of VJ-day, which were designated for transfer on a credit basis; the cancellation represents a downward revision in the original estimate.

The \$20,000,000 shown as a credit for the Army Department represents the estimated amount of surplus property delivered to China by the Army subject to future settlement.

9. *India.*—The exact amount of the Foreign Liquidation Commissioner credit will depend on the proceeds received from the resale of surplus property by the Government of India for the joint account of the United States and India. The figures shown for credit commitment and utilization are based on the latest estimates.

10. *Latin America.*—Lend-lease mutual-aid agreements were signed with all the American Republics except Argentina and Panama. Combined data for these lend-lease credits are shown in *Unallocated, Latin America*.

Presentation of Data in Tables

The presentation of the data for foreign credits and grants of the United States Government in the tables of this appendix, while not identical with that in previous *Reports of the National Advisory Council*, is similar and comparable.

Table XIV shows foreign credits and grants utilized in the 3½-year postwar period in various combinations with amounts unutilized as of the end of the period. Table XV is a summary of the status of foreign credits as of June 30, 1945, and as of December 31, 1948, and of the activity during the intervening 3½-year period. Table XVI is in three parts and presents, by type or program, grants (1) utilized in the 3½-year postwar period, (2) utilized in the 6-month period ended December 31, 1948, and (3) unutilized as of December 31, 1948. Tables XVII, XVIII, XIX, XX, XXI, and XXII present a break-down by credit-extending agency of the credit data (as of December 31, 1948, and during the 3½-year period), summarized in table XV. Table XXII shows a break-down by credit-extending agency of the credits utilized in the 6-month period from July 1, 1948, through December 31, 1948. All tables present the data by geographical area and country.

The figures in each of the tables are rounded to whole millions of dollars; components will not necessarily add to totals because of rounding. In the *ERP Participants* area, each country having any data has been shown individually. In all other areas, any country whose total or largest dollar amount cannot be rounded to more than \$5,000,000 has been combined with other countries in that area whose dollar amounts cannot be rounded to more than \$5,000,000 and the total has been rounded and shown as *Other*. In determining whether a country should be shown individually or in combination with other countries in an area, each table has been treated separately.

Whenever the country detail to be shown for an area is one item only (one country or, in accordance with the above, exclusively *Other*), only the area total appears. For each item shown (area, country, other, or unallocated), the figures for that item in any column are presented, even though the figure is \$5,000,000 or less.

The unallocated items are aid or potential aid that cannot be allocated by country. In most instances such items have been allocated by area. The composition of the unallocated items is covered either elsewhere in this Explanatory Note or in footnotes to the tables.

TABLE XIV.—*Summary of U. S. Government foreign credits and grants: utilized, July 1, 1945, to Dec. 31, 1948; and unutilized as of Dec. 31, 1948, by area and country*¹

[In millions of dollars]

Area and country	Grand Total	Credits Plus Grants		Utilized Plus Unutilized		
		Utilized	Unutilized	Loans	Property credits	Grants
Total, All Areas.....	26,522	20,139	6,383	8,628	3,387	14,507
Total, Europe.....	19,453	15,407	4,046	6,796	2,605	10,052
Total, ERP Participants.....	17,859	13,845	4,014	6,633	2,282	8,944
Austria.....	591	441	151	14	22	555
Belgium and Luxembourg.....	442	299	143	182	49	211
Denmark.....	133	56	77	45	10	78
France.....	3,481	2,785	695	1,370	827	1,284
Germany (western).....	2,487	1,781	707	24	221	2,243
Greece.....	1,100	841	258	15	121	964
Iceland.....	6	2	4	2	(2)	4
Ireland.....	77	(2)	77	60	-----	17
Italy.....	1,901	1,423	477	181	243	1,476
Netherlands.....	806	446	359	300	103	403
Norway.....	181	102	79	85	47	49
Sweden.....	35	4	31	12	-----	23
Switzerland.....	2	2	-----	-----	-----	2
Trieste.....	28	21	7	-----	-----	28
Turkey.....	237	99	138	66	16	155
United Kingdom.....	5,956	5,378	578	4,095	622	1,238
Unallocated ERP.....	397	164	233	182	-----	215
Total, Other Europe.....	1,594	1,562	32	163	323	1,108
Albania.....	20	20	-----	-----	-----	20
Czechoslovakia.....	213	213	-----	22	8	183
Finland.....	140	111	28	101	36	2
Hungary.....	18	18	-----	-----	16	2
Poland.....	443	442	1	40	38	365
U. S. S. R.....	460	458	2	-----	224	236
Yugoslavia.....	300	300	-----	-----	1	299
Total, Latin America.....	515	317	199	438	44	33
Bolivia.....	21	18	3	19	-----	2
Brazil.....	118	82	36	97	16	5
Chile.....	86	39	47	82	-----	4
Colombia.....	39	19	20	37	1	1
Cuba.....	11	11	-----	10	-----	(2)
Ecuador.....	16	7	9	14	(2)	2
Haiti.....	7	2	4	4	(2)	2
Mexico.....	138	89	49	132	-----	6
Peru.....	8	8	1	(2)	5	2
Uruguay.....	10	10	1	7	2	1
Venezuela.....	6	3	3	5	-----	1
Other Latin America.....	10	8	3	4	(2)	6
Unallocated Latin America.....	45	21	23	24	19	2
Total, Asia.....	4,498	3,629	869	205	547	3,746
China.....	1,892	1,643	249	99	146	1,648
India.....	15	15	-----	-----	15	-----
Indonesia.....	67	67	-----	-----	63	4
Iran.....	39	21	18	-----	39	-----
Japan.....	1,573	1,242	331	26	208	1,338
Korea (southern).....	299	214	86	-----	25	274
Pakistan.....	10	(2)	10	-----	10	-----
Philippines.....	533	365	169	70	18	445
Ryukyu Islands.....	35	35	-----	-----	-----	35
Saudi Arabia.....	14	14	-----	10	2	2
Siam.....	10	6	4	-----	10	-----
Other Asia.....	11	7	3	-----	11	(2)

See footnotes at end of table.

TABLE XIV.—*Summary of U. S. Government foreign credits and grants: utilized, July 1, 1945, to Dec. 31, 1948; and unutilized as of Dec. 31, 1948, by area and country*¹—Continued

[In millions of dollars]

Area and country	Grand Total	Credits Plus Grants		Utilized Plus Unutilized		
		Utilized	Unutilized	Loans	Property credits	Grants
Canada.....	145	140	5	145		
Total, Africa.....	39	28	11	10	28	1
Egypt.....	18	13	5	7	11	(?)
Liberia.....	16	12	4		16	
Other Africa.....	5	3	2	3	2	(?)
Total, Oceania.....	17	17			13	5
Australia.....	8	8			8	(?)
Other Oceania.....	9	9			4	4
Unallocated, International Organizations.....	650	520	131	65		585
Unallocated, All Areas.....	1,204	82	1,123	970	150	85

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.

² Less than \$500,000.

TABLE XV.—*Summary of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area and country*¹

[In millions of dollars]

Area and country	Dec. 31, 1948		Activity July 1, 1945, to Dec. 31, 1948				June 30, 1945 ²	
	Out-standing in-debted-ness	Unuti-lized credits	Author-ized	Expired and can-celed	Utilized	Repaid	Out-standing in-debted-ness	Unuti-lized credits
Total, All Areas.....	9,331	2,347	12,239	934	9,668	893	556	710
Total, Europe.....	8,502	875	9,594	368	8,525	322	299	174
Total, ERP Participants.....	8,046	843	8,990	241	8,071	298	272	166
Austria.....	19	17	37	1	19	(?)		
Belgium and Luxem-bourg.....	179	40	231	55	191	12		55
Denmark.....	38	17	55		38			
France.....	2,042	111	2,246	49	2,086	44		
Germany (western).....	184	19	252	8	225	41		
Greece.....	105	25	147	11	111	6		
Iceland.....	2	1	3		2			
Ireland.....		60	60					
Italy.....	323	73	428	3	352	29		
Netherlands.....	314	73	381	43	330	16		65
Norway.....	81	48	142	20	84	3		11
Sweden.....	2	10	12		2			
Turkey.....	22	56	82	(?)	26	4		
United Kingdom.....	4,735	113	4,710	28	4,605	142	272	35
Unallocated ERP.....		182	205	22				
Total, Other Europe.....	456	32	604	127	454	25	27	9
Czechoslovakia.....	23		72	42	30	7		
Finland.....	117	28	136	8	109	16	24	9
Hungary.....	14		30	14	16	2		
Poland.....	79	1	90	12	77	1	3	
U. S. S. R.....	222	2	275	51	222			
Other.....	1		1		1			

See footnotes at end of table.

TABLE XV.—*Summary of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area and country*¹—Continued

[In millions of dollars]

Area and country	Dec. 31, 1948		Activity July 1, 1945, to Dec. 31, 1948				June 30, 1945 ²	
	Out-standing indebtedness	Unutilized credits	Authorized	Expired and canceled	Utilized	Repaid	Out-standing indebtedness	Unutilized credits
Total, Latin America	364	194	353	208	288	107	183	337
Bolivia.....	17	3	3	-----	16	1	2	16
Brazil.....	112	35	111	26	79	23	56	28
Chile.....	33	46	69	(3)	36	17	14	13
Colombia.....	21	20	16	1	18	8	10	23
Costa Rica.....	7	-----	-----	(3)	(3)	(3)	7	(3)
Cuba.....	11	-----	-----	7	10	2	3	18
Ecuador.....	9	9	5	1	6	1	5	10
Haiti.....	6	4	4	(3)	(3)	3	9	(3)
Mexico.....	70	48	91	8	84	25	11	49
Peru.....	5	-----	7	26	6	1	-----	25
Uruguay.....	15	1	3	18	9	1	7	25
Other Latin America.....	12	5	8	2	4	8	16	3
Unallocated Latin America.....	45	23	36	118	20	18	44	125
Total, Asia	425	80	903	183	672	313	65	32
Bahrein Islands.....	-----	-----	-----	-----	-----	16	16	-----
China.....	199	17	235	22	227	77	49	32
India.....	13	-----	15	-----	15	2	-----	-----
Indonesia.....	63	-----	200	137	63	(3)	-----	-----
Iran.....	13	18	40	1	21	8	-----	-----
Japan.....	23	19	234	(3)	216	192	-----	-----
Korea (southern).....	25	-----	25	(3)	25	-----	-----	-----
Pakistan.....	-----	10	10	-----	(3)	(3)	-----	-----
Philippines.....	66	9	89	1	79	13	-----	-----
Saudi Arabia.....	11	-----	32	20	12	1	-----	-----
Siam.....	6	4	10	-----	6	(3)	-----	-----
Other Asia.....	6	3	12	1	7	2	-----	-----
Canada and Newfoundland	6	5	311	166	140	140	7	-----
Total, Africa	19	11	31	3	27	10	2	11
Egypt.....	3	5	18	-----	13	10	-----	-----
Liberia.....	13	4	7	2	12	-----	2	11
Other Africa.....	3	2	6	1	3	(3)	(3)	(3)
Total, Oceania	13	-----	14	1	13	-----	-----	-----
Australia.....	8	-----	8	-----	8	-----	-----	-----
New Zealand.....	4	-----	6	1	4	-----	-----	-----
Unallocated, International Organizations	3	62	65	-----	3	-----	-----	-----
Unallocated, All Areas	-----	1, 120	968	5	-----	-----	-----	156

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note. For agency break-down of the first 6 columns of this table and for footnotes, see tables XVII, XVIII, XIX, XX, XXI, and XXIII. Outstanding indebtedness at Dec. 31, 1948, is equivalent to the sum of outstanding indebtedness at June 30, 1945, plus the difference between the amount utilized and the amount repaid during the period July 1, 1945, to Dec. 31, 1948. Unutilized credits at Dec. 31, 1948, are equivalent to the sum of unutilized credits at June 30, 1945, and the amount authorized during the period July 1, 1945, to Dec. 31, 1948, less the sum of the amount expired and canceled and the amount utilized during the period July 1, 1945, to Dec. 31, 1948.

² Most items in the 2 columns as of June 30, 1945, relate to loans by the Export-Import Bank. Major other agency credits are as follows: Belgium, \$55,000,000 unutilized lend-lease property credit; Netherlands, \$65,000,000 unutilized lend-lease property credit; United Kingdom, \$272,000,000 outstanding and \$35,000,000 unutilized loan by the Reconstruction Finance Corporation; Unallocated Latin America, \$44,000,000 outstanding and \$52,000,000 unutilized lend-lease property credits; Bahrein Islands, \$16,000,000 outstanding loan by the Reconstruction Finance Corporation; Canada and Newfoundland, \$7,000,000 outstanding loan by the Reconstruction Finance Corporation; Liberia, \$2,000,000 outstanding and \$11,000,000 unutilized lend-lease property credit.

³ Less than \$500,000.

⁴ Uncommitted lending authority of the Export-Import Bank.

TABLE XVI.—U. S. Government foreign grants: utilized July 1, 1945, to Dec. 31, 1948, and July 1, 1948, to Dec. 31, 1948; and unutilized as of Dec. 31, 1948, by area, country, and type ¹

[In millions of dollars]

Amounts Utilized July 1, 1945, to Dec. 31, 1948						
Area and country	Total	Economic cooperation	Relief	Civilian supplies	Lend-lease	Other grants
Total, All Areas	10,471	1,481	3,596	3,219	1,285	890
Total, Europe	6,882	1,385	2,659	1,934	482	422
Total, ERP Participants	5,774	1,385	1,598	1,934	434	422
Austria.....	421	99	228	94		
Belgium and Luxembourg.....	108	47	1		60	
Denmark.....	18	18	(2)			
France.....	699	319	320		61	
Germany (western).....	1,556	118	4	1,434		
Greece.....	730	58	317		6	349
Iceland.....	(2)	(2)				
Ireland.....	(2)		(2)			
Italy.....	1,071	125	702	244		
Netherlands.....	117	87	2		28	
Norway.....	18	17	1			
Sweden.....	2	1	1			
Switzerland.....	2		2			
Trieste.....	21	6	12	3		
Turkey.....	73					73
United Kingdom.....	773	485	8		279	
Unallocated ERP.....	164	5		158		(2)
Total, Other Europe	1,108		1,060		48	
Albania.....	20		20			
Czechoslovakia.....	183		183			
Poland.....	365		365		(2)	
U. S. S. R.....	236		188		48	
Yugoslavia.....	299		299			
Other.....	4		4			
Latin America	29		(2)		2	27
Total, Asia	2,957	96	414	1,281	724	441
China.....	1,416	96	406		722	192
Japan.....	1,026			1,026		
Korea (southern).....	189		1	188		
Philippines.....	285		8	28		249
Ryukyu Islands.....	35		(2)	35		
Other Asia.....	6		(2)	4	2	
Africa	1		1			
Oceania	5		(2)	4		
Unallocated, International Organizations	517		517			
Unallocated, All Areas	82		5		77	

Amounts Utilized July 1, 1948, to Dec. 31, 1948

Area and country	Total	Economic cooperation	Relief	Civilian supplies	Other grants
Total, All Areas	2,301	1,276	69	622	333
Total, ERP Participants	1,741	1,181	23	374	162
Austria.....	94	91	3	(2)	
Belgium and Luxembourg.....	47	47			
Denmark.....	17	17			

See footnotes at end of table.

TABLE XVI.—*U. S. Government foreign grants: utilized July 1, 1945, to Dec. 31, 1948, and July 1, 1948, to Dec. 31, 1948; and unutilized as of Dec. 31, 1948, by area, country, and type*¹—Continued

[In millions of dollars]

Amounts Utilized July 1, 1948, to Dec. 31, 1948					
Area and country	Total	Economic cooperation	Relief	Civilian supplies	Other grants
ERP Participants—Continued					
France.....	269	261	8		
Germany (western).....	492	118		374	
Greece.....	174	46			127
Iceland.....	(²)	(²)			
Italy.....	129	116	13		
Netherlands.....	72	72			
Norway.....	17	17			
Sweden.....	1	1			
Trieste.....	6	6			
Turkey.....	35				35
United Kingdom.....	383	383			
Unallocated ERP.....	5	5			(²)
Latin America.....	3				3
Total, Asia.....	511	95		248	168
China.....	167	95			72
Japan.....	202			202	
Korea (southern).....	43			43	
Philippines.....	96				96
Other Asia.....	4			4	
Unallocated, International Organizations.....	45		45		
Unallocated, All Areas.....	2		2		
Unutilized Balances Dec. 31, 1948					
Total, All Areas.....	4,036	2,803	72	740	420
Total, ERP Participants.....	3,171	2,624	1	342	203
Austria.....	134	131		3	
Belgium and Luxembourg.....	103	103			
Denmark.....	60	60			
France.....	584	584			
Germany (western).....	688	348		340	
Greece.....	234	113			121
Iceland.....	3	3			
Ireland.....	17	17			
Italy.....	405	405			
Netherlands.....	286	286			
Norway.....	30	30			
Sweden.....	21	21			
Trieste.....	7	6	1		
Turkey.....	82				82
United Kingdom.....	466	466			
Unallocated ERP.....	51	51			(²)
Latin America.....	5				5
Total, Asia.....	789	179		398	212
China.....	232	179			53
Japan.....	312			312	
Korea (southern).....	86			86	
Philippines.....	160				160
Unallocated, International Organizations.....	68		68		
Unallocated, All Areas.....	3		3		

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note² Less than \$500,000.

TABLE XVII.—*Outstanding indebtedness¹ of foreign countries on U. S. Government credits, as of Dec. 31, 1948, by area, country, and agency*

[In millions of dollars]

Area and country	Total ²	Loans		Property Credits			Other loans and property credits ²
		Export-Import Bank ²	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commission ²	Maritime Commission	
Total, All Areas.....	9,331	2,145	486	1,314	1,180	212	3,995
Total, Europe.....	8,502	1,768	486	1,205	958	182	3,904
Total, ERP Participants.....	8,046	1,617	486	982	881	181	3,899
Austria.....	19	7	—	—	8	—	¹ 3
Belgium and Luxembourg.....	179	123	10	—	46	—	—
Denmark.....	38	20	17	—	1	—	—
France.....	2,042	1,159	128	371	328	53	¹ 4
Germany (western).....	184	—	—	—	184	—	—
Greece.....	105	15	—	—	55	35	—
Iceland.....	2	—	2	—	(⁴)	—	—
Italy.....	323	47	38	—	177	61	—
Netherlands.....	314	190	48	48	18	10	(³ ⁴)
Norway.....	81	42	12	6	4	16	³ 1
Sweden.....	2	2	—	—	—	—	—
Turkey.....	22	12	—	—	5	6	—
United Kingdom.....	4,735	—	232	557	54	—	⁵ 3,891
Total, Other Europe.....	456	151	—	223	77	1	5
Czechoslovakia.....	23	15	—	—	8	—	—
Finland.....	117	93	—	—	18	1	³ 5
Hungary.....	14	—	—	—	14	—	—
Poland.....	79	42	—	—	37	—	—
U. S. S. R.....	222	—	—	222	—	—	—
Other.....	1	—	—	1	—	—	—
Total, Latin America.....	364	298	—	45	8	12	1
Bolivia.....	17	16	—	—	—	—	⁶ 1
Brazil.....	112	⁷ 100	—	—	6	6	(⁴ ⁵)
Chile.....	33	33	—	—	—	—	—
Colombia.....	21	20	—	—	(⁴)	—	(⁴ ⁵)
Costa Rica.....	7	7	—	—	—	—	—
Cuba.....	11	11	—	—	—	—	—
Ecuador.....	9	9	—	—	(⁴)	—	(⁴ ⁵)
Haiti.....	6	6	—	—	—	—	(³ ⁴)
Mexico.....	70	70	—	—	—	—	(⁴ ⁵)
Uruguay.....	15	13	—	—	—	2	—
Other Latin America.....	17	12	—	—	1	4	—
Unallocated Latin America.....	45	—	—	45	—	—	—

See footnotes at end of table.

TABLE XVII.—*Outstanding indebtedness¹ of foreign countries on U. S. Government credits, as of Dec. 31, 1948, by area, country, and agency—Continued*

(In millions of dollars)

Area and country	Total ²	Loans		Property Credits			Other loans and property credits ³
		Export-Import Bank ⁴	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commissioner ⁵	Maritime Commission	
Total, Asia	425	77	.....	50	199	18	81
China.....	199	57	.....	47	59	16	⁶ 20
India.....	13	.....	.....	2	11	.....	.....
Indonesia.....	63	.....	.....	.....	63	.....	.....
Iran.....	13	.....	.....	1	13	.....	.....
Japan.....	23	10	.....	.....	13	.....	.....
Korea (southern).....	25	.....	.....	.....	25	.....	.....
Philippines.....	66	.....	.....	.....	3	2	¹⁰ 61
Saudi Arabia.....	11	9	.....	.....	2	.....	.....
Siam.....	6	.....	.....	.....	6	.....	.....
Other Asia.....	6	.....	.....	.....	6	.....	.....
Canada and Newfoundland	6	.....	.....	.....	.....	.....	⁶ 6
Total, Africa	19	3	.....	13	3	.....	.....
Liberia.....	13	.....	.....	13	.....	.....	.....
Other Africa.....	6	3	.....	.....	3	.....	.....
Total, Oceania	13	.....	.....	1	12	.....	.....
Australia.....	8	.....	.....	1	8	.....	.....
Other Oceania.....	4	.....	.....	.....	4	.....	.....
Unallocated, International Organizations	3	.....	.....	.....	.....	.....	¹¹ 3

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Includes \$3,980,258 of loans and property credits due and unpaid for 90 days or more, as follows: (a) *Export-Import Bank*, \$429,465 in the following countries: Poland, \$3,492; Brazil, \$142,980; Uruguay, \$51,488; Other Latin America (Venezuela), \$200,000; Other Africa (Angola), \$31,505; (b) *Reconstruction Finance Corporation*, \$1,092,517 in the following countries: Bolivia, \$1,032,816; Brazil, \$30,613; Colombia, \$28,170; Ecuador, \$918; and (c) *Office of the Foreign Liquidation Commissioner*, \$2,458,276 in the following countries: Ecuador, \$96,855; Other Latin America (Peru), \$106,094; Iran, \$64,473; Siam, \$619,328; Other Asia (Burma), \$500,000; Other Africa, \$1,071,526 (Egypt, \$858,588 and Ethiopia, \$212,938).³ Property credits by the War Assets Administration.⁴ Less than \$500,000.⁵ Loans: \$3,750,000,000 by the Treasury Department, and \$141,000,000 by the Reconstruction Finance Corporation.⁶ Loans by the Reconstruction Finance Corporation.⁷ Includes \$7,000,000 participation by another agency in loans of the Export-Import Bank to Brazil.⁸ Loan by the State Department (Institute of Inter-American Affairs).⁹ Property credit by the Army Department.¹⁰ Loan of \$60,000,000 by the Reconstruction Finance Corporation, and property credit of \$1,000,000 by the War Assets Administration.¹¹ Loan to the United Nations by the State Department.

TABLE XVIII.—*Unutilized balances*¹ of U. S. Government foreign credits, as of Dec. 31, 1948, by area, country, and agency

(In millions of dollars)

Area and country	Total	Loans		Property Credits			Other loans and property credits
		Export-Import Bank	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commission	Maritime Commission	
Total, All Areas.....	2,347	1,361	514	7	114	(2)	351
Total, Europe.....	875	153	514	2	86	(2)	120
Total, ERP Participants.....	843	134	514		80	(2)	114
Austria.....	17	6			4		² 7
Belgium and Luxembourg.....	40		40				
Denmark.....	17		8		9		
France.....	111		42		22		³ 46
Germany (western).....	19	19					
Greece.....	25				25		
Iceland.....	1		(2)		(2)		
Ireland.....	60		60				
Italy.....	73	60	12			(2)	
Netherlands.....	73		47		11		² 15
Norway.....	48	8	23		6		² 11
Sweden.....	10		10				
Turkey.....	56	22	30		4		
United Kingdom.....	112		78				⁴ 35
Unallocated ERP.....	182	19	⁴ 163				
Total, Other Europe.....	32	18		2	6		5
Finland.....	28	17			6		² 5
Other.....	4	1		2			
Total, Latin America.....	194	193		1			(2)
Brazil.....	35	35					
Chile.....	46	46					
Colombia.....	20	20					
Ecuador.....	9	9					
Mexico.....	48	48					
Other Latin America.....	13	12					(² 2)
Unallocated Latin America.....	23	23		1			
Total, Asia.....	80	33		(2)	28		19
China.....	17	17		(2)			
Iran.....	18				18		
Japan.....	19	16			3		
Pakistan.....	10						³ 10
Philippines.....	9						² 9
Other Asia.....	7				7		
Canada.....	5	5					
Africa.....	11	7		4			
Unallocated, International Organizations.....	62						⁶ 62
Unallocated, All Areas.....	1,120	⁷ 970					⁸ 150

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Less than \$500,000.³ Property credits by the War Assets Administration.⁴ Loan by the Reconstruction Finance Corporation.⁵ Uncommitted loan and guaranty authority of the Economic Cooperation Administration.⁶ Loan to the United Nations by the State Department.⁷ Includes the \$967,000,000 uncommitted lending authority of the Export-Import Bank.⁸ Uncommitted commodity-program credit authority of the Army Department.

TABLE XIX.—*Authorizations¹ of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area, country, and agency*

[In millions of dollars]

Area and country	Total	Loans		Property Credits			Other loans and property credits
		Export-Import Bank	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
Total, All Areas	12,239	3,697	1,000	1,406	1,453	262	4,421
Total, Europe	9,594	2,051	1,000	1,292	1,129	220	3,902
Total, ERP Participants	8,990	1,889	1,000	1,016	974	219	3,892
Austria	37	14			12		² 10
Belgium and Luxembourg	231	132	50		49		
Denmark	55	20	25		10		
France	2,246	1,200	170	420	350	56	² 50
Germany (western)	252	24			184		² 45
Greece	147	25			80	42	
Iceland	3		2		(⁴)		
Ireland	60		60				
Italy	428	134	50		178	66	
Netherlands	381	210	95		30	21	² 25
Norway	142	50	35	6	10	29	² 12
Sweden	12	2	10				
Turkey	82	36	30		10	6	
United Kingdom	4,710		310	590	60		⁵ 3,750
Unallocated ERP	205	42	⁶ 163				
Total, Other Europe	604	162		276	155	1	10
Czechoslovakia	72	22			50		
Finland	136	100			25	1	² 10
Hungary	30				30		
Poland	90	40			50		
U. S. S. R.	275			275			
Other	1			1			
Total, Latin America	353	284		37	12	18	2
Brazil	111	92			8	9	⁷ 2
Chile	69	69					
Colombia	16	15			1		(⁴ ⁷)
Mexico	91	89				2	
Peru	7	(⁴)			1	5	
Other Latin America	23	19			2	2	(⁴ ⁸)
Unallocated Latin America	37			37			
Total, Asia	903	223		70	285	23	302
China	235	67		59	70	19	⁹ 20
India	15			2	13		
Indonesia	200	100			100		
Iran	40			9	31	1	
Japan	234	26			16		¹⁰ 192
Korea (southern)	25				25		
Pakistan	10						² 10
Philippines	89				6	3	¹¹ 80
Saudi Arabia	32	30			2		
Siam	10				10		
Other Asia	12				12		

See footnotes at end of table.

TABLE XIX.—*Authorizations*¹ of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area, country, and agency—Continued

[In millions of dollars]

Area and country	Total	Loans		Property Credits			Other loans and property credits
		Export-Import Bank	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
Canada.....	311	311					
Total, Africa.....	31	10		7	14		
Egypt.....	18	7			11		
Liberia.....	7			7			
Other Africa.....	6	3			3		
Total, Oceania.....	14			1	13		
Australia.....	8			1	8		
New Zealand.....	6				6		
Unallocated, International Organizations.....	65						¹² 65
Unallocated, All Areas.....	968	¹³ 818					¹⁴ 150

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Property credits by the War Assets Administration.³ Property credits (commodity programs) by the Agriculture Department of \$34,000,000, and by the Reconstruction Finance Corporation of \$11,000,000.⁴ Less than \$500,000.⁵ Loan by the Treasury Department.⁶ Uncommitted loan and guaranty authority of the Economic Cooperation Administration.⁷ Loans by the Reconstruction Finance Corporation.⁸ Loans by the State Department (Institute of Inter-American Affairs) and the Reconstruction Finance Corporation, and property credits by the War Assets Administration.⁹ Property credit by the Army Department.¹⁰ Property credits (commodity programs) by the Agriculture Department of \$130,000,000, and by the Reconstruction Finance Corporation of \$12,000,000.¹¹ Loan of \$70,000,000 by the Reconstruction Finance Corporation, and property credit of \$10,000,000 by the War Assets Administration.¹² Loan to the United Nations by the State Department.¹³ Includes increase of \$811,000,000 in the uncommitted lending authority of the Export-Import Bank.¹⁴ Uncommitted commodity-program credit authority of the Army Department.

TABLE XX.—*Expirations and cancellations*¹ of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area, country, and agency

[In millions of dollars]

Area and country	Total	Loans	Property credits			Other loans and property credits
		Export-Import Bank	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
Total, All Areas	934	481	281	121	33	18
Total, Europe	368	60	200	69	22	18
Total, ERP Participants	241	52	149		22	18
Austria.....	1	1				
Belgium and Luxembourg.....	55		55			
France.....	49		49		(2)	
Germany (western).....	8					3 8
Greece.....	11	10		(2)		
Italy.....	3	3		(2)		
Netherlands.....	43	5	17		11	4 10
Norway.....	20	11			10	
Turkey.....	(2)	(2)			(2)	(2)
United Kingdom.....	28		28			
Unallocated ERP.....	22	22				
Total, Other Europe	127	8	51	69	(2)	
Czechoslovakia.....	42	(2)		42		
Finland.....	8	8			(2)	
Hungary.....	14			14		
Poland.....	12			12		
U. S. S. R.....	51		51			
Total, Latin America	208	131	71	1	6	(2)
Brazil.....	26	23		(2)	3	
Cuba.....	7	7				
Mexico.....	8	6			2	
Peru.....	26	25		(2)	1	
Uruguay.....	18	18		(2)	(2)	(2 5)
Other Latin America.....	5	4		(2)		
Unallocated Latin America.....	118	48	71			
Total, Asia	183	120	9	49	5	
China.....	22	(2)	9	11	2	
Indonesia.....	137	100		37		
Saudi Arabia.....	20	20				
Other Asia.....	3			1	2	
Canada	166	166				
Africa	3	(2)	2	1		
Oceania	1			1		
Unallocated, All Areas	5	5				

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Less than \$500,000.³ Property credits (commodity programs) by the Reconstruction Finance Corporation.⁴ Property credit by the War Assets Administration.⁵ Loan by the State Department (Institute of Inter-American Affairs).

TABLE XXI.—Utilizations¹ of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area, country, and agency

[In millions of dollars]

Area and country	Total	Loans		Property Credits			Other loans and property credits
		Export-Import Bank	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commission	Maritime Commission	
Total, All Areas.....	9,668	2,348	486	1,301	1,217	229	4,088
Total, Europe.....	8,525	1,859	486	1,210	974	198	3,799
Total, ERP Participants.....	8,071	1,713	486	987	894	197	3,794
Austria.....	19	7	—	—	9	—	² 3
Belgium and Luxembourg.....	191	132	10	—	49	—	—
Denmark.....	38	20	17	—	1	—	—
France.....	2,086	1,200	128	371	328	56	² 4
Germany (western).....	225	5	—	—	184	—	² 37
Greece.....	111	15	—	—	55	41	—
Iceland.....	2	—	2	—	(⁴)	—	—
Italy.....	352	72	38	—	178	65	—
Netherlands.....	330	205	48	48	19	10	(² 4)
Norway.....	84	42	12	6	4	19	² 1
Sweden.....	2	2	—	—	—	—	—
Turkey.....	26	14	—	—	6	6	—
United Kingdom.....	4,605	—	232	562	60	—	² 3,750
Total, Other Europe.....	454	145	—	223	80	1	5
Czechoslovakia.....	30	22	—	—	8	—	—
Finland.....	109	84	—	—	19	1	² 5
Hungary.....	16	—	—	—	16	—	—
Poland.....	77	39	—	—	38	—	—
U. S. S. R.....	222	—	—	222	—	—	—
Other.....	1	—	—	1	—	—	—
Total, Latin America.....	288	244	—	18	11	12	2
Bolivia.....	16	16	—	—	—	—	(⁴ 4)
Brazil.....	79	62	—	—	8	6	² 2
Chile.....	36	36	—	—	—	—	—
Colombia.....	18	17	—	—	1	—	(⁴ 8)
Cuba.....	10	10	—	—	—	—	—
Ecuador.....	6	5	—	—	(⁴)	—	(⁴ 6)
Mexico.....	84	84	—	—	—	—	—
Peru.....	6	(⁴)	—	—	1	4	—
Uruguay.....	9	7	—	—	(⁴)	2	(⁴ 7)
Other Latin America.....	5	4	—	—	(⁴)	—	(² 4 8)
Unallocated Latin America.....	20	2	—	18	—	—	—
Total, Asia.....	672	102	—	61	207	18	283
China.....	227	81	—	50	59	16	² 20
India.....	15	—	—	2	13	—	—
Indonesia.....	63	—	—	—	63	—	—
Iran.....	21	—	—	9	13	—	—
Japan.....	216	10	—	—	13	—	² 192
Korea (southern).....	25	—	—	—	25	—	—
Philippines.....	79	—	—	—	6	2	¹⁰ 71
Saudi Arabia.....	12	10	—	—	2	—	—
Siam.....	6	—	—	—	6	—	—
Other Asia.....	8	—	—	—	7	—	(² 4)

See footnotes at end of table.

TABLE XXI.—Utilizations¹ of U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area, country, and agency—Continued

[In millions of dollars]

Area and country	Total	Loans		Property Credits			Other loans and property credits
		Export-Import Bank	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
Canada.....	140	140					
Total, Africa.....	27	3		12	13		
Egypt.....	13	2			11		
Liberia.....	12			12			
Other Africa.....	3	1			2		
Total, Oceania.....	13			1	12		
Australia.....	8			1	8		
Other Oceania.....	4				4		
Unallocated, International Organizations.....	3						11 3

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Property credits by the War Assets Administration.³ Property credits (commodity programs) by the Agriculture Department of \$34,000,000, and by the Reconstruction Finance Corporation of \$3,000,000.⁴ Less than \$500,000.⁵ Loan by the Treasury Department.⁶ Loans by the Reconstruction Finance Corporation.⁷ Loan by the State Department (Institute of Inter-American Affairs).⁸ Property credit by the Army Department.⁹ Property credits (commodity programs) by the Agriculture Department of \$180,000,000, and by the Reconstruction Finance Corporation of \$12,000,000.¹⁰ Loan of \$70,000,000 by the Reconstruction Finance Corporation, and property credit of \$1,000,000 by the War Assets Administration.¹¹ Loan to the United Nations by the State Department.

TABLE XXII.—Utilizations¹ of U. S. Government foreign credits, July 1, 1948, to Dec. 31, 1948, by area, country, and agency

[In millions of dollars]

Area and country	Total	Loans		Property Credits			Other loans and property credits
		Export-Import Bank	Economic Cooperation Administration	Lend-Lease	Foreign Liquidation Commission	Maritime Commission	
Total, All Areas.....	617	107	486	2	11	4	7
Total, Europe.....	555	63	486	1	1	1	4
Total, ERP Participants.....	542	52	486		1	1	3
Austria.....	6	6					(² 3)
Belgium and Luxembourg.....	10		10				
Denmark.....	17		17		(²)		
France.....	130		128		(²)		¹ 2
Iceland.....	2		2		(²)		
Italy.....	55	17	38			1	
Netherlands.....	48		48		(²)		
Norway.....	35	22	12		(²)		(² 1)
Sweden.....	2	2					
Turkey.....	5	5					
United Kingdom.....	232		232				
Total, Other Europe.....	12	10		1			1
Finland.....	8	7					¹ 1
Other.....	4	3		1			
Total, Latin America.....	31	31		(²)			(²)
Chile.....	13	13					
Mexico.....	7	7					
Other Latin America.....	11	11					(² 1)
Unallocated Latin America.....	(²)			(²)			
Total, Asia.....	25	12			9	3	(²)
Iran.....	8				8		
Japan.....	10	10			(²)		
Other Asia.....	6	2			1	3	(² 1)
Africa.....	2	2		(²)			
Oceania.....	1				1		
Unallocated, International Organizations.....	3						¹ 3

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Less than \$500,000.³ Property credits by the War Assets Administration.⁴ Loan to the United Nations by the State Department.

TABLE XXIII.—*Repayments¹ on U. S. Government foreign credits, July 1, 1945, to Dec. 31, 1948, by area, country, and agency*

[In millions of dollars]

Area and country	Total	Loans	Property credits			Other loans and property credits
		Export-Import Bank	Lend-Lease	Foreign Liquidation Commissioner	Maritime Commission	
Total, All Areas.....	893	416	33	37	17	390
Total, Europe.....	322	118	5	16	16	168
Total, ERP Participants.....	288	96	5	13	16	168
Austria.....	(2)	—	—	(2)	—	(2 3)
Belgium and Luxembourg.....	12	9	—	3	—	—
France.....	44	41	—	—	3	(2 3)
Germany (western).....	41	5	—	—	—	4 37
Greece.....	6	—	—	(2)	6	—
Italy.....	29	25	—	1	4	—
Netherlands.....	16	15	—	1	—	(2 3)
Norway.....	3	—	—	(2)	3	(2 3)
Turkey.....	4	2	—	2	(2)	—
United Kingdom.....	142	—	5	6	—	5 6 131
Total, Other Europe.....	25	22	—	3	(2)	(2)
Czechoslovakia.....	7	7	—	(2)	—	—
Finland.....	16	15	—	1	(2)	(2 3)
Other.....	2	—	—	2	—	—
Total, Latin America.....	107	84	16	3	1	7 4
Brazil.....	23	19	—	2	(2)	5 2
Chile.....	17	17	—	—	—	—
Colombia.....	8	7	—	(2)	—	—
Mexico.....	25	25	—	—	—	(2 5)
Other Latin America.....	17	14	—	1	(2)	7 9 2
Unallocated Latin America.....	18	2	16	—	—	—
Total, Asia.....	313	74	11	8	(2)	219
Bahrein Islands.....	16	—	—	—	—	5 16
China.....	77	73	3	(2)	(2)	—
Iran.....	8	—	8	(2)	—	—
Japan.....	192	—	—	—	—	10 192
Philippines.....	13	—	—	3	—	11 10
Other Asia.....	6	1	—	5	—	(2 3)
Canada and Newfoundland.....	140	140	—	—	—	(2 5)
Total, Africa.....	10	(2)	—	10	—	—
Egypt.....	10	—	—	10	—	—
Other Africa.....	(2)	(2)	—	(2)	—	—

¹ For important qualifications affecting this table and for definitions of terms, see the Explanatory Note.² Less than \$500,000.³ Property credits by the War Assets Administration.⁴ Property credits (commodity programs): \$31,000,000 paid to the Agriculture Department, and \$3,000,000 to the Reconstruction Finance Corporation.⁵ Loans by the Reconstruction Finance Corporation.⁶ Does not include \$6,936,333 held in a sinking fund for payment of principal.⁷ Includes portions of loans to individuals charged off as uncollectible by the Reconstruction Finance Corporation, as follows: Total, Latin America, \$1,321,301; Bolivia, \$888,987; British Honduras, \$430,535; Ecuador, \$1,479.⁸ Loans by the State Department (Institute of Inter-American Affairs).⁹ Loans by the Reconstruction Finance Corporation, \$1,553,176; loan of the State Department (Institute of Inter-American Affairs), \$30,000.¹⁰ Property credits (commodity programs): \$180,000,000 paid to the Agriculture Department, and \$12,000,000 to the Reconstruction Finance Corporation.¹¹ Loan by the Reconstruction Finance Corporation, \$10,000,000; property credit by the War Assets Administration, \$57,884.

APPENDIX D

TABLE XXIV.—*Membership and quotas in the International Monetary Fund, and membership and subscriptions in the International Bank for Reconstruction and Development, as of Mar. 31, 1949*

[In millions of dollars]

Member	Fund quota	Bank subscrip- tion	Member	Fund quota	Bank subscrip- tion
Total	8,034.0	8,336.0	India.....	400.0	400.0
Australia.....	200.0	200.0	Iran.....	35.0	33.6
Austria.....	50.0	50.0	Iraq.....	8.0	6.0
Belgium.....	225.0	225.0	Italy.....	180.0	180.0
Bolivia.....	10.0	7.0	Lebanon.....	4.5	4.5
Brazil.....	150.0	105.0	Luxembourg.....	10.0	10.0
Canada.....	300.0	325.0	Mexico.....	90.0	65.0
Chile.....	50.0	35.0	Netherlands.....	275.0	275.0
China.....	550.0	600.0	Nicaragua.....	2.0	.8
Colombia.....	50.0	35.0	Norway.....	50.0	50.0
Costa Rica.....	5.0	2.0	Panama.....	.5	.2
Cuba.....	50.0	35.0	Paraguay.....	3.5	1.4
Czechoslovakia.....	125.0	125.0	Peru.....	25.0	17.5
Denmark.....	68.0	68.0	Philippines.....	15.0	15.0
Dominican Republic.....	5.0	2.0	Poland.....	125.0	125.0
Ecuador.....	5.0	3.2	Syria.....	6.5	6.5
Egypt.....	60.0	53.3	Turkey.....	43.0	43.0
El Salvador.....	2.5	1.0	Union of South Africa.....	100.0	100.0
Ethiopia.....	6.0	3.0	United Kingdom.....	1,300.0	1,300.0
Finland.....	38.0	38.0	United States.....	2,750.0	3,175.0
France.....	525.0	525.0	Uruguay.....	15.0	10.5
Greece.....	40.0	25.0	Venezuela.....	15.0	10.5
Guatemala.....	5.0	2.0	Yugoslavia.....	60.0	40.0
Honduras.....	.5	1.0			
Iceland.....	1.0	1.0			

Exhibit 15.—Statement, February 16, 1949, of Secretary of the Treasury Snyder before the Senate Foreign Relations Committee recommending financial policies to be followed in the European Recovery Program¹

Last February I appeared before this committee to present the recommendations of the National Advisory Council on International Monetary and Financial Problems relating to the financial aspects of the European Recovery Program. Those recommendations, as you know, were with some modifications incorporated into the legislation.

My purpose in coming before you today is to review what has been accomplished under those provisions and to recommend the policies which, in the opinion of the Council, the United States Government should follow with regard to these matters in the course of the coming year. Ambassador Harriman and the Chiefs of the ECA missions have reported to you at considerable length on the conditions prevailing in the various countries. Accordingly, I shall not attempt a general review of the situation in the participating countries. I shall emphasize, however, a few points which are particularly significant for the more strictly financial aspects of the program.

We are convinced that the success of the program will depend, in very large measure, on the attainment of internal financial stability in the participating countries. Without financial stability, participating countries will be unable in 1952 to balance their accounts without dependence upon extraordinary United States assistance. The various financial aspects of the program are mutually related. Thus the establishment of valid exchange rates is contingent, in large part, on the establishment of internal monetary and financial equilibrium and, conversely, internal financial equilibrium can greatly be facilitated by a system of appropriate exchange rates.

Some of the countries participating in the program have made substantial progress toward attaining internal financial stability. Inflationary rises in prices have been arrested—not in all cases, but in many. In several of the countries, notably Italy, the monetary authorities have carried out a program of restricting bank credit through limiting the total amount of credit which the banks may advance to their customers, thus requiring the rationing of available funds. The governments have, to a considerable extent, reduced the rate of inflationary borrowing from the central banks, or otherwise, by bringing their budgets closer to balance. Both of these measures have the effect of keeping down the supply of money and so tend to keep prices in line with the available supplies of goods. Of course, the mere fact of greater availability of goods also has had the effect of checking price rises. Progress in this area has been considerable. There may be difficulties in the future, however, in the case of countries whose situation is usually characterized as "suppressed inflation." In these countries expendable income has increased more than proportionately to the supply of goods, but the rise in prices has been prevented by rationing, price controls, and subsidies to consumer goods or imported items. The result has been an excess of idle funds which, though less dangerous than open inflationary pressures, has reduced incentives and distorted production and trade. In the past year a notable effort has been made by several countries to reduce this excess either by a surplus in the budget (as in the United Kingdom) or by monetary conversions (as in Germany and Austria).

To combat inflation, it is necessary for the governments to balance their budgets, or to achieve budgetary surpluses. This has been done in some instances. In others more effort is needed to increase revenues and to eliminate unnecessary expenditures. It is recognized that it may be difficult to cut expenditures, particularly at times when governmental assistance is required for reconstruction. Practically all of the countries have formulated programs for increasing their revenues by the adoption of new taxes, or increasing the rates of old taxes, and improving administration. Unfortunately, in a few instances these programs have not gotten beyond the project stage. We are proposing to finance this program in the United States within a balanced budget. We may reasonably expect that the recipient countries will at least make greater efforts to put their financial houses in order. I do not mean to say that they should adopt the precise tax measures which we use in this country. It is reasonable, however, to expect that the countries which are receiving aid from us should use their own taxing powers to the fullest practical extent.

¹ The Secretary made a similar statement before the House Committee on Foreign Affairs on Feb. 17, 1949.

Closely connected with the problem of inflation is the use of the local currency counterpart of United States assistance made available on a grant basis. In accordance with the Economic Cooperation Act, each recipient country has established an account with local currency equivalent to the amount of grants received. The law and the bilateral agreements, which we have made with each of the countries, provide that these moneys may be spent only with the approval of the United States Government, and in each case the policies involved in this expenditure have been reviewed by the Economic Cooperation Administration and the National Advisory Council.

In accordance with the terms of the act, the local currency funds are available for the reduction of public debt, expenditure for capital reconstruction, and other purposes conducive to attaining the purposes of the act. This is broad authority, which should be used to aid in the process of financial stabilization. Impounding these funds in the special account has a certain counterinflationary effect by withdrawing money from circulation. This may be offset, however, by other inflationary tendencies in the economy. Thus it would be of no avail if the funds were used for the retirement of the public debt, if at the same time new public debt obligations are sold. Where, as in the case of Britain, there is a budgetary surplus, it is appropriate to use the local currency proceeds to reduce the government's debt. On the other hand, the beneficial effects of debt retirement are nullified if a country is suffering from inflation and this inflation is continued through governmental borrowing, or if the private purchasers of the goods received as aid get their funds by borrowing from commercial banks. In fairness, I should note that where an inflationary situation of this sort continues, little could be gained by withholding these funds from the government unless it is possible to avoid borrowing an equal amount. The use of local currency to finance projects of capital development is also inflationary, to an extent, but may be justified if other counterinflationary measures are taken, or where the effect of the capital construction will be to relieve bottlenecks in the economy, or to provide other capital facilities which will increase production more than proportionally to the amount expended.

The use of the counterpart funds in each case must be carefully considered in the light of prevailing conditions. In some cases partial release of these funds has been practically necessary to forestall worse fiscal and political difficulties. Moreover, by permitting the use of the counterpart funds, we can induce participating governments to direct their expenditures into the proper channels, even though we are not able to bring into effect the full counterinflationary impact.

In the opinion of the Council no change is necessary in the legislation covering the use of counterpart funds. It is expected that in the coming year they will be utilized with increasing effectiveness, and, as conditions in the European countries improve, they may serve as a very real factor in bringing about ultimate stabilization. To be effective, however, the local currency account must be used in conjunction with other measures for attaining fiscal and monetary equilibrium.

In addition to internal stabilization measures, greater efforts must be made by the European countries in their export efforts so that they can become self-supporting in their international transactions after 1952. We all recognize, Mr. Chairman, that this is a problem of both production and international trade. With only a few exceptions, the ERP countries have reached a level in their production equal to or above their prewar levels, although, of course, population has increased in the meanwhile. To a considerable extent this improvement has been the consequence of United States assistance in the period before and since the start of ERP. Production targets for 1952 should be reached if we continue aid at the decreasing scales which we anticipate for the fiscal years 1951 and 1952.

But, to repeat, this will solve only part of the problem. The other part is how these countries can obtain enough dollars after 1952 to pay for the volume of imports from the dollar area that will be essential to maintain their levels of production and standards of living. They will not be able to do this without extraordinary assistance from this Government unless they sell a greater volume of goods and services to the Western Hemisphere and unless American investors are willing to invest in European securities, or to invest new capital in productive plants there. Prior to the war the European countries regularly had a moderate deficit in their bilateral balances of payments with the United States. They bought from us more than they sold to us, and they made up the difference, in part by receipts from investments here, and in part by sale of goods to Latin American, African, and Asiatic countries, which had a current surplus of dollars

and gold. To a considerable extent this triangular settlement of balances will again play an important role. We will probably continue to buy more from Brazil than we sell to Brazil. We will continue to purchase rubber and tin and copra from the East. To an increasing extent we may buy petroleum, wood pulp, and iron ore abroad. The European countries will be able to cover part of their deficit with the United States by earning some of these dollars, but the basic task will still be to increase sales to this country and to Canada, Latin America, and other countries.

This brings us, Mr. Chairman, directly to the question of exchange rates. Since the war some of the European countries have restored their prewar levels of exports. The total value of exports has increased, in many cases, over the prewar level, even after making due allowance for the increase in prices which has taken place. But not all countries have accomplished this. In several countries the ratio of exports to total national income is considerably lower today than it was in 1937 or 1938. These countries have chosen to use a larger part of the resources available to them for more rapid domestic reconstruction and less to regain their foreign markets. To a certain extent, however, there has been a misdirection of trade. A relatively larger percentage of exports has moved to other European countries and their overseas territories, rather than to the dollar area. This results, in part, from traditional methods of doing business, from the adaption of products to the European market and from the existence of bilateral trade and payments agreements. Moreover, American exports of the type of goods formerly exported by Europeans have increased.

In some quarters it is believed that the problem of the Western Hemisphere deficit could be solved simply by the reduction of exchange rates against the dollar. The argument runs that European currencies are overvalued with respect to the dollar, and that an adjustment of the exchange rate would of itself be sufficient to bring about equilibrium. While undoubtedly exchange rate modifications may be in order for some of the ERP countries in the near future, the problem can readily be oversimplified, if the exchange rate is regarded independently of all the other factors which make up the international balance of payments.

The question of deciding what is the appropriate exchange rate for a particular country is a very difficult matter. Some people have looked at the black market rates for the dollar either in the country concerned, or, say, the rate for a given currency in the free markets of Switzerland. It has been suggested that if the countries devalued to levels corresponding to these black market rates, exchange rates would be at the proper level. This is a misconception. Black market rates are "bootleg" rates applying principally to transactions in currency notes. This currency may be used for travel expenditures, or it may be used for illicit operations by way of capital transfer or of imports contrary to regulations. These, obviously, are not fair measures of the value of a currency. To a certain extent these rates may merely indicate that a country has an effective system of controlling the movement of currency into its territory, which serves to increase the discount at which people are willing to sell it illegally.

Others have talked about exchange rates in terms of the purchasing power of currencies or the relative levels of prices. In 1946, in terms of relative prices, many European currencies were overvalued. The situation has changed considerably with the rise in prices in the United States so that some currencies, which appeared grossly overvalued in 1946, appear to be somewhat less overvalued today, while other currencies might even be regarded as undervalued in terms of their purchasing power, in comparison with the purchasing power of the dollar. It is, as a matter of statistics, difficult to compare the purchasing power of various currencies at a given point of time. Even if one could make a satisfactory statistical comparison, it would by no means determine what the appropriate rate of exchange is. A comparison of purchasing powers is significant mainly as an indication of the relative ability of countries to export. Undoubtedly, an overvalued currency provides an incentive for imports and discourages exports.

It would be a tragic mistake to act on the assumption that at the present time devaluation would, of itself, solve the problem of Europe. As an abstract theoretical proposition, one might argue that the exchange rate adjustment can bring about an equilibrium in the balance of payments of a country. But through this process imports would be prohibitively expensive, while exports could probably be sold here in larger volume. This could not be done, however, for most of these countries, and still maintain a tolerable standard of living. The effect

would be to impoverish and starve their peoples and to reduce them to levels which would be destructive of economic recovery and would imperil political stability. Obviously, this is not the purpose of the program, which aims at restoring the economic life of these countries to a point where they are able to play their part in a peaceful democratic world.

When I discussed the exchange rate question with this committee a year ago, I pointed out to the committee that the modification of exchange rates may have serious repercussions on the domestic economy of the country concerned. Devaluation implies a rise in prices of imported foods and raw materials unless the difference is made up by subsidies. Premature devaluation may thus have the effect of increasing inflationary pressures and may, therefore, give only a temporary stimulus to exports. Since devaluation may have adverse internal political consequences, governments are reluctant to change their rates until the need is clearly demonstrated. Consequently, the exchange rate must be considered along with the other measures of internal financial stabilization.

The National Advisory Council has studied this question from time to time over the last year, and we did not conclude that the time was ripe for widespread exchange rate adjustments. This does not mean that we will hold to the same views in 1949. In 1948, levels of production in some of the European countries were still low. They have improved considerably, but it appears to us that soon these countries must take greater efforts to balance their accounts. The Council believes that the exchange rate question should be reviewed with a number of the European countries in the course of the next year. The objective will be to explore with these countries the extent to which they can improve their balance-of-payments position with the Western Hemisphere, and whether or not changing the par values of their currencies will be conducive to this result. We recognize that this is an extraordinarily difficult problem which will require the most careful consideration, and the utmost secrecy in discussion. In years gone by, the United States Government generally took the position that the rate at which a country bought and sold dollars was primarily its concern. Now, however, when we are contributing billions of dollars to build up the European economies, it becomes a matter of grave, direct concern to us insofar as the exchange policies which a country may be pursuing tend to retard its exports or misdirect its trade and increase its Western Hemisphere deficit, and thus indirectly increase its calls upon the United States for assistance. Where an exchange rate adjustment is indicated, a member country will be expected to propose a new par value to the International Monetary Fund.

The problem of balancing their international accounts leads to the question of the extent to which the participating countries should be required to repay the United States for the assistance granted. A year ago it was agreed in the discussion with this committee that the loans to the European countries should be good loans that could be repaid. In view of all of the uncertainties of the situation, we were hesitant to give a very precise estimate of the amount of the assistance to be provided which could be repaid without interfering with the objectives of the program. At the time it was estimated that about 20 percent of the aid could be extended on a loan basis. With a year's experience of the program behind us, these prospects have been re-examined in the light of the changing world situation.

As the legislation came from the Congress, a billion dollars was specifically authorized to finance loans and guaranties. As you know, it is of great importance that the countries of Western Europe should, at the end of the program, be in a position to finance their further economic development by attracting private capital from this country, or by borrowing on a sound basis from international or other lending agencies. To the extent that these countries emerge from the program with a burden of fixed annual charges on existing dollar indebtedness, their ability to attract private capital will be reduced. Many of these countries have already contracted substantial dollar debts in connection with their earlier reconstruction expenditures. If these countries had to obligate themselves for too large an amount of additional loans under this program, it is clear that the longer-term objectives of the program would be endangered. The transition from government financing to private investment to supply the dollar needs of the European countries after 1952 will not be easily made, and we should not make it more difficult by imposing rigid charges for each year of the ERP program. Moreover, the burden of additional debt payments would aggravate greatly the international repercussions of an economic recession here or abroad.

We fully recognize, however, that some countries will be in a better position to repay than others. The effect of the war on the balances of payments of the participating countries has varied greatly. Some of them have already attained a high level of production, and some of them are in a better international situation than others, in the sense that their international accounts more closely approach the balance which we expect for all countries in the years after 1952.

For these reasons the National Advisory Council is of the opinion that the authorizing legislation for fiscal 1949-50 should not earmark a specific portion of the total aid for loans. We believe it would be better policy for the Congress to make the total available in the form of an appropriation. The Administrator for Economic Cooperation should be authorized, with the advice of the National Advisory Council, to determine when aid should be on a loan basis and in what amount. Aid for the regular ERP program would be extended on a loan, or part-loan, basis to some countries which, in the long run, will have greater ability to earn dollars and other foreign exchange and do not at present have heavy debt charges. A prudent use of the discretionary power requested by the Administrator and the Council will keep the field open for long-range investment projects by the private capital market, the Export-Import Bank, and the International Bank. These institutions can supply capital needs of the type that constitute good international investments. Some of these projects can be undertaken before 1952, and it is important that our policy should not hinder the renewal of sound international investment after the European Recovery Program ends.

Last year I advised this committee that it was the belief of the Council that we should provide to the countries receiving aid under the European Recovery Program information which would enable them to secure control over the blocked dollar assets of their citizens. You will recall that, notwithstanding the fact that the certification procedure then in effect channeled to the recipient countries information with respect to certain blocked assets, many citizens of those countries were able to maintain concealed blocked assets in the United States. The proposal of the Council which I outlined to this committee has been put into execution. A census was taken of all assets which remained blocked in this country as of June 1, 1948, and by the end of September appropriate information with respect to property worth approximately half a billion dollars and disclosed by the census was placed in the hands of countries to which we are extending assistance. In this way information about a considerable portion of the assets was made available for the first time. On October 1, jurisdiction over assets remaining blocked was transferred to the Office of Alien Property in the Department of Justice and that Office is now in the process of dealing with them.

We have also given further study to the gold and dollar balances of the countries receiving aid. In our resurvey we have concluded that none of the countries receiving grants has gold and dollar balances in excess of its requirements for normal trade and monetary reserves. While a few countries have increased their reserves by a small amount in the last year, the ERP countries and their dependencies as a whole appear to have drawn down their balances about \$364 million between March 31 and September 30, 1948, despite the amount of aid given. To some extent these balances will be restored by the ultimate settlement of the ECA accounts. It is clear that allocations of assistance in excess of balance-of-payments requirements should not be made to the recipient countries for the purpose of building up their foreign-exchange reserve positions. At the end of the program, when we expect trade to return to normal channels without further United States assistance, reasonable reserves of gold and dollars will be indispensable for ordinary trade and commerce.

As we review the experience of the past year, certain things stand out and furnish a basis for judgment as to future prospects. There have been notable signs of improvement in the financial situation in Europe. Some countries have reached a reasonable degree of internal financial stability with balanced budgets, adequate taxes, and fairly stable price levels. In other countries these results are anticipated for the future. Although appropriate financial measures have not yet in all cases been put into execution, they are receiving consideration and we are looking forward to the implementation of adequate financial programs in the course of the coming year. It is my belief that except for the intervention of some unforeseen drastic deterioration of the international situation, we can look forward to a period of reasonable financial stability by 1952.

Exhibit 16.—Statement, May 23, 1949, of Assistant Secretary Martin before the House Banking and Currency Committee on H. R. 4332, a bill to permit national banks to deal in securities of the International Bank for Reconstruction and Development

I am appearing before your committee on behalf of the National Advisory Council on International Monetary and Financial Problems to present its views on H. R. 4332, which the committee is about to consider. The bill would amend the National Bank Act to permit national banks to deal in the bonds of the International Bank, and would, by amendment to the Bretton Woods Agreements Act, exempt securities issued or guaranteed by the International Bank from the provisions of the Securities Acts. The National Advisory Council has given serious consideration to the proposed legislation and believes that it should be enacted.

With your permission, I would like to address myself to the policy considerations underlying the National Advisory Council's support of the pending legislation. In the opinion of the National Advisory Council, the International Bank for Reconstruction and Development will have an increasingly important role in the future development of the international capital market. It seems clear that, to the extent that economic and political conditions abroad permit the Bank to assume greater responsibility in financing reconstruction and development, it is in the interest of the United States to encourage the Bank to assume that responsibility.

During the next few years, it is hoped that many more nations will be in a position to apply for loans to finance projects and programs consistent with the purposes of the Bank. The continued effectiveness of the International Bank will depend upon its ability to meet these requests. To do this, the Bank will have to raise additional funds in the securities market of the United States.

It is the opinion of the National Advisory Council that the enactment of H. R. 4332 would facilitate the widespread distribution in the United States of securities issued or guaranteed by the International Bank. For a detailed analysis of the structure and operations of the International Bank, particularly with respect to the effect that the proposed legislation would have on its marketing operations, I will defer to the representatives of the Bank who will appear before you.

However, if I may, I would like to touch briefly upon one of the principal problems which will be remedied if the proposed legislation is enacted.

At the present time, although national banks may invest in securities issued by the International Bank, they are not authorized under the National Bank Act to deal in such securities. The proposed legislation would remove this legal disability by amending the National Bank Act to permit national banks to deal in securities issued by the International Bank.

Both the International Bank and the National Advisory Council believe that in order that this permission may be really effective in broadening the market for the Bank's securities they should be exempted from the Securities Acts. The reason is that the whole marketing system of national banks is geared to deal only in securities which are exempt from the Federal Securities Acts, mainly Federal, State, and municipal securities; and it is not adapted to meet the various requirements pertaining to securities subject to those acts. The proposed legislation would meet this practical difficulty by amending the Bretton Woods Agreements Act to make the securities issued or guaranteed by the International Bank exempt securities under the Securities Acts.

In connection with the enactment of the proposed legislation, careful thought has been given to the position of investors in the United States. I believe that the unique characteristics of the securities of the International Bank and the nature of the safeguards provided in the proposed legislation constitute ample protection.

It should be noted that by virtue of the large subscription of the United States in the shares of the International Bank, there is a correspondingly large official participation by the United States in the direction of the Bank. Under the guidance of the National Advisory Council, the United States Executive Director, who holds approximately one-third of the total votes of the Bank's Executive Board, directs his activities to effectuating the United States policy of making the Bank a sound, strong, effective instrumentality for financing appropriate projects for reconstruction and development. In this connection, it may be noted that the International Bank may not sell its securities in this country without obtaining the prior consent of the National Advisory Council; nor can the Bank buy or deal in its securities without that consent.

It should also be borne in mind that the securities of the International Bank are backed by the joint obligation of some 48 nations, each of which is severally liable up to the full amount of its subscription. A nation which might otherwise be tempted to default on a particular foreign obligation might well be deterred from such action by the knowledge that a default to the International Bank is simultaneously a default with respect to 47 other nations upon whom the burden of meeting prorated subscription calls would fall.

Adverting to the protection the United States investor enjoys with respect to foreign securities which are not exempted from the Securities Acts, it may be appropriate to note that the essence of this protection is the requirement for full and fair disclosure of pertinent information. The Securities and Exchange Commission does not make a determination as to the worth of a security offered for sale. It is not the function of the Commission to approve or disapprove any sale of securities so long as the facts concerning the securities are fully stated.

With respect to the International Bank, it may be stated that through its quarterly and annual reports and other statements, it makes a full disclosure to the public of all its activities. Moreover, under the proposed legislation, the Bank would be required to file with the Securities and Exchange Commission such annual and other reports with regard to its securities as the Commission shall determine to be appropriate. Finally, if the Securities and Exchange Commission should at any time be of the opinion that the interest of the United States investor requires that the securities in the International Bank be subjected to the Securities Acts, the Commission may, in consultation with the National Advisory Council, suspend the exemption granted under the proposed legislation.

In my opinion, the enactment of the proposed legislation will further the interest the United States has in the continued effective operation of the International Bank without prejudicing the rights of United States investors. I, therefore, recommend favorable action on the bill under consideration.

Exhibit 17.—Announcement, September 30, 1948, of Secretary of the Treasury Snyder of the close of activities by the Treasury Department in the field of controlling foreign assets in the United States

Secretary Snyder today announced the close of more than eight years of activity by the Treasury in the field of controlling foreign assets in the United States. The program started by the Treasury Department almost a decade ago is to be carried through to its ultimate liquidation by the Department of Justice pursuant to a Presidential transfer of jurisdiction.

Plans for this transfer, which is effective as of midnight, September 30, were made by the interested departments in February and were at that time approved by the National Advisory Council and communicated to the Congress. Accordingly, the Treasury Department regulations setting forth the organization and procedures of Foreign Funds Control, and other related regulations promulgated in 1942, are being revoked. These regulations are being superseded by new regulations similar in scope issued by the Department of Justice.

Treasury participation in this field began with the freezing order of April 1940, issued at the time of the German invasion of Norway and Denmark. The scope of the order was gradually expanded until by 1941 it covered China and Japan as well as all the countries of continental Europe, except Turkey. A 1941 census revealed that the Treasury Department was then controlling foreign assets in the United States worth more than eight billion dollars.

A primary aim of the freezing control was to prevent nationals of the invaded countries of Europe from being despoiled and forced under duress to transfer to the Axis powers their claims to American assets. The freezing controls also served in many ways as a weapon of economic warfare to hamper the financial and commercial activities of our World War II enemies.

The elimination of restrictions on transactions and the gradual unblocking of foreign assets began shortly after the end of actual hostilities. The elimination of these controls has been handled so as to maintain the major objectives for which they were instituted. Unblocking of property has proceeded on a basis which has preserved the ability of the United States to vest assets actually belonging to enemies. The procedures now in effect for unblocking foreign assets in the United States have also been developed with a view toward assisting in the implementation of the European Recovery Program.

Exhibit 18.—Announcement, June 17, 1949, of Secretary of the Treasury Snyder of the signing of an agreement supplementing the United States-Mexican Stabilization Agreement

Secretary Snyder today announced the signing of an agreement supplementing the United States-Mexican Stabilization Agreement entered into in May 1947. This new agreement increases to \$25 million the balance available from the United States stabilization fund for the purchase of Mexican pesos to stabilize the United States dollar-Mexican peso rate of exchange. The agreement was signed following acceptance by the International Monetary Fund of a new par value of 8.65 Mexican pesos per dollar, and after several weeks of study of the Mexican financial situation by officials of the United States Treasury Department, of the Bank of Mexico, and of the Mexican Ministry of Finance.

Secretary Snyder noted with satisfaction that the Mexican Government has indicated its determination to continue and intensify its efforts, in pursuance of sound fiscal and financial policies, to insure the stability of the exchange rate.

Secretary Snyder stated that any operations under the agreement with Mexico will be closely coordinated with the activities of the International Monetary Fund in order to contribute to the efforts of the Fund to stabilize the exchange rate structure of its members.

Exhibit 19.—Letter of Acting Secretary of the Treasury Martin, May 4, 1949, to the Chairman of the House Banking and Currency Committee, stating the Treasury's objections to S. 13 and S. 286, bills authorizing the acquisition, trading, and export of gold by the public

TREASURY DEPARTMENT,
Washington, May 4, 1949.

MY DEAR MR. CHAIRMAN: This is in further reply to your letters of April 25, 1949, stating that your committee intends to begin hearings on S. 13 and S. 286 on May 5 and requesting the report of the Department on these bills prior to the date of the hearing.

Both bills specifically authorize the acquisition, trading, and export by members of the public of any gold mined in the United States or imported into the United States after their enactment. S. 286 would also repeal sections 3 and 4 of the Gold Reserve Act of 1934. Since these sections contain the authority to regulate transactions in gold in the United States, their repeal would permit a free market for all gold. In substance, S. 13 would also result in a free market for all gold since it would not be possible to distinguish newly mined or imported gold from other gold.

The Treasury is strongly opposed to the enactment of these bills. They would create serious risks to our national monetary and banking structure and would result in a weakening of the present strong and stable position of the dollar in its relation to gold. At the same time, the advantages expected by their advocates appear to be based on misunderstandings and illusory hopes.

1. Enactment of either S. 13 or S. 286 would amount to a reversal of the decision made by the Congress in the Gold Reserve Act of 1934, that gold should be held by the Government as a monetary reserve and that it should not be available for private use for other than legitimate industrial, professional, or artistic purposes. We believe that the United States should continue to follow the principle that the most important use of gold is for the domestic and international monetary functions of the Government and that gold should not be held by private individuals as a store of wealth.

2. The existence of a free market for gold in the United States with a fluctuating price determined by private demand and supply would have exceedingly unfortunate consequences for our domestic economy. In fact, the Secretary of the Treasury is required by statute to maintain all forms of United States money at a parity with the gold dollar. Since the gold dollar contains one thirty-fifth of an ounce of gold, this means that the Treasury should maintain the price of gold at \$35 an ounce in legal gold markets in the United States. Therefore, the Treasury would hardly have any alternative if the proposed bills were enacted other than to sell gold to the extent necessary to maintain the market price at \$35 an ounce. Thus, the rise in the price of gold which appears to be contemplated by the proponents of these bills would not take place.

If the Treasury did not take measures to stabilize the market at \$35, the shifting of the price of gold could not fail to confuse and disturb the public. The common interpretation of such fluctuations would be that something was wrong with the dollar and that the value of the dollar and all savings stated in dollars were going up and down with each fluctuation.

Such prices for gold, however, would probably be the result of a relatively trifling volume of transactions. No significant determination of the value of the whole world supply of gold could be made with the United States Treasury, which is the main factor in the gold market, left out of the balance. Because of popular misconceptions, prices determined by an insignificant volume of transactions would be interpreted as applying to all gold, including the 24.3 billion dollars in gold held by the United States Treasury. Thus, the public misinterpretation of the quotations in the so-called free market might cause a loss of confidence in the dollar and be extremely damaging to our economic welfare.

If the Treasury let the price of gold in the United States fluctuate, it would be defeating the very purposes which have led us to acquire over 24 billion dollars worth of gold. The Treasury has paid out those billions of dollars for gold in order to keep stable the relation between gold and dollars. There would be no clear reason why we should have bought this gold in the past or should continue in the future to buy gold at \$35 an ounce if we were not also to be ready to sell it at the same price for any legitimate purpose in order to maintain the stability.

It would be exceedingly improvident for the United States to sell gold at \$35 an ounce to foreign governments if such gold or other gold could be resold in the United States at premium prices. On the other hand, the Treasury believes it to be of the highest monetary importance to the United States that it continue to sell gold to foreign governments and central banks at \$35 an ounce whenever the balance of international payments turns in their favor and they ask for settlement in gold. To refuse to make such sales at \$35 would be equivalent to a devaluation of the dollar and an abandonment of our adherence to a gold standard. Moreover, if the United States should not continue to buy and sell gold freely for international settlements at \$35 an ounce, we could not meet our obligations to the International Monetary Fund without adopting a system of exchange controls to prevent transactions in foreign currencies in the United States at other than official rates.

It should not be assumed, however, that it is at all certain that the proposed free market in gold would result in a marked rise in the price of gold for any extended period even if the Treasury should not stabilize the market at \$35. Expectations of substantial increases in price are based on widespread exaggeration of the significance of various premium quotations abroad and inadequate appreciation of the degree to which prices of gold everywhere depend on the readiness of the United States to buy at \$35 virtually all gold which is offered to the Treasury. There is also inadequate appreciation of the extent to which gold imports and trading are restricted in every important country in the world and the valid reasons for such restrictions.

3. The international monetary relations and obligations of the United States would also be prejudiced if gold were authorized to be exported and imported freely. One of the dangers of permitting exportations of gold from the United States without restriction is that much of the gold would flow to black markets abroad. In some countries the gold markets are illegal; in others, gold imports or dollar payments for gold are prohibited. These restrictions are designed to conserve urgently needed dollars to finance essential imports. Permitting gold exports to these markets would work directly against our efforts to restore Europe to financial solvency through the European Recovery Program.

In this connection, the International Monetary Fund has expressed its concern that international gold transactions at premium prices tend to divert gold from central reserves into private hoards. The Fund has asked its members to take effective action to prevent premium price transactions in gold with other countries or with the nationals of other countries. The existence of a free market in the United States with a fluctuating price for gold, coupled with the repeal of authority to control the export of gold, would make it impossible for the United States to cooperate with the Fund in achieving this objective.

4. Treasury sales of gold to the extent necessary to maintain a \$35 price in a free market created by the enactment of either of these bills would, in effect, mean that any holder of dollars or dollar obligations would be able to convert them into gold. While this would be preferable to an erratic movement in gold

prices in the United States, it would force this Government to a course of action which might have extremely serious consequences.

Internal gold convertibility is likely to exert critical pressure at the most dangerous and damaging times and to do little good at other times. It threatened the foundations of our financial structure during the depression and it might have done so again during the last war, yet it has proven of no use either to prevent inflationary booms or serve other desirable purposes at other times. When left in a centralized reserve, our gold stock gives impregnable international strength to the dollar. If our gold stock, on the other hand, were dissipated into immobilized private holdings, our power to maintain the position of the dollar might be critically weakened.

The problems of financing the last war would have been tremendously magnified if private citizens had been free to draw down our gold reserves. The prosecution of the war, for example, would have been critically hampered if Government and business borrowing had been limited because gold hoarders had left no excess reserves in the banking system.

Even our 24 billion dollars of gold holdings would be completely inadequate to meet a serious run on gold from the 27 billion dollars of United States currency in circulation, over 140 billion dollars of bank deposits, and scores of billions of dollars of Government securities, not to mention other relatively liquid assets. Conversion of around five or six percent of these Government and bank obligations would be enough to bring the Federal Reserve Banks below their legal minimum gold reserve.

Even in a letter of this length it is not possible to state all the considerations which cause the Treasury to oppose these bills. We believe, however, that the foregoing will give you a general indication of the difficulties and problems which the Treasury considers would arise from the enactment of either of them.

The Bureau of the Budget has advised that there would be no objection to the submission of this report to your Committee since the proposed legislation is not in accord with the program of the President.

Very truly yours,

WM. MCC. MARTIN, Jr.,
Acting Secretary of the Treasury.

HONORABLE BURNET R. MAYBANK,
*Chairman, Committee on Banking and Currency,
United States Senate, Washington, D. C.*

TAXATION DEVELOPMENTS

Exhibit 20.—Statement, April 1, 1949, of Commissioner of Internal Revenue Schoeneman before the House Ways and Means Committee on H. R. 2893, a bill extending the social security coverage

Mr. Chairman, I appreciate the opportunity which you have given me to present the views of the Bureau of Internal Revenue concerning the amendments to the Internal Revenue Code in connection with the proposed extension of social security coverage under H. R. 2893 insofar as they affect the Bureau of Internal Revenue. I shall attempt in my statement to bring out certain factors which I believe will be of interest in connection with the legislation under consideration. Before beginning that discussion I would like to emphasize that we in the Bureau of Internal Revenue believe that we can adequately and satisfactorily administer the provisions of H. R. 2893, if enacted into law.

The responsibility of the Bureau of Internal Revenue under the existing social security program is to (a) maintain appropriate registers of employers; (b) as a convenience to the employers and as an aid to enforcement, distribute quarterly the necessary return blanks; (c) receive and account for the returns and taxes voluntarily reported; (d) enforce the collection in the case of delinquent taxpayers; and (e) forward the wage reports submitted as a part of the returns to the Social Security Administration for its use in compiling the wage records of individual employees.

When the existing system was inaugurated, some 12 years ago, there were many who felt that the administrative problems which would arise in connection with it would be insuperable. On the whole, I think that notwithstanding the

problems that have arisen in connection with it, and I do not wish to imply that they have not been real, all will agree that the program has been satisfactorily administered.

Much has been learned from the experiences in the last 12 years, and many improvements in the collection system have been adopted from time to time. You may recall that in the early days the employers were required to report on a monthly basis. After a short while of experimentation with this system, it was found that a quarterly return was feasible and resulted in considerably less effort on the part of both the employers and the Government. Therefore, such a plan was adopted early after the inauguration of the system. More recently the Bureau has been experimenting with the possible combination of the employer's tax return under the Federal Insurance Contributions Act and the withholding-tax return for income tax purposes. This experiment is now going on in the collection district of Maryland and so far has proved very satisfactory. It is hoped that we will be able to extend this improved form to the entire country before the end of the year.

I cite these developments only to assure you that, once a program is adopted by the Congress, we on the administrative level will continuously seek every possible improvement which will ease the work load of the taxpayers and the Government.

As to H. R. 2893, we feel that, in general, an additional administrative task is being given to the Bureau of Internal Revenue which is not basically unlike some we now have. Certainly, additional office space, printing, and personnel are involved in any undertaking of this type. However, I should like to point out five factors which I think have a bearing on the administrative phase of the program under consideration, and which to my mind demonstrate its feasibility. These factors are as follows:

Mass enforcement methods: Since 1942 the Bureau of Internal Revenue has been engaged in tax collection on a mass basis. It has developed, and is now further developing, modern management techniques to meet broad-scale tax enforcement problems. These techniques involve the adaptation of newly developed mechanical devices and the sampling approach to enforcement efforts. As for example, an audit-control program based on sampling techniques has been developed for the tax year 1948 in respect to the 55,000,000 individual income tax returns for the purpose of high lighting those specific areas in which additional effort is needed to insure better over-all compliance. In principle, the extension of coverage proposed in H. R. 2893 presents problems no different from those that are now being met.

Experience in Government reporting: In view of the lowered individual income tax exemptions and other types of Government reporting required during the war, which had never theretofore been required, those affected by the bill have generally become accustomed and well qualified to make reasonably satisfactory compliance with the requirements of the type contemplated by the provisions of H. R. 2893.

Employees' interest should aid enforcement: The incentive feature, on the part of the individuals covered, is to a certain extent a self-policing factor which we do not have in many areas of tax returns today, and which factor should assist to some extent in the enforcement problem.

Operating improvements based on experience: Continued experimentation will be made with the administrative features of any program which the Congress adopts with the definite objective always in mind of making the system so simple, and so well understood by the public, that the work load of the public and the administrative agencies will be reduced to a minimum. In reaching this objective, the Federal Security Agency and the Treasury Department will collaborate on every phase falling within the jurisdiction of each.

Taxpayer education: One of the most complete and far-reaching educational programs will precede the circulation of any tax return forms or other devices which may be necessary in the collection of the tax.

On the basis of the above five factors, I feel confident in stating that, given the necessary personnel and facilities, the program proposed is administratively feasible. To insure feasibility it is highly important that the collection methods be flexible insofar as the specific requirements of the law are concerned. There is ample precedent for this in the present law which has been extremely helpful in permitting administrative adjustment from one type of collection approach to another without awaiting changes in basic law.

In the remainder of my statement I should like to (1) point out three technical changes which I believe should be made; (2) indicate briefly certain of our present

procedures pertinent to the employer's tax return under the Federal Insurance Contributions Act; (3) describe plans under consideration for the administrative management of the proposed program relating to agricultural and domestic employees; (4) outline a plan for the administrative management of the program relating to the self-employed; and (5) furnish you with a brief summary statement.

(1) TECHNICAL CHANGES

In line with this arrangement, I am setting out below certain of the technical changes which I believe should be made in the bill.

Raising of filing level for self-employment tax to conform with present income tax filing level: The first of these recommendations is that the filing level for the self-employment tax be raised from \$500 of gross income to \$600. The present provisions of the bill would require individuals, having at least \$200 of self-employment income but not subject to income tax because they have less than \$600 of gross income, to file a self-employment return if they have as much as \$500 gross income. The administrative difficulties in connection with this low-income group are apparent since these individuals will not have prepared and filed an income tax return. This recommendation should not be considered as seeking permanently to tie in the self-employment filing level with the income tax filing level which may undergo changes from time to time. It does seem important, however, in order to avoid confusion and to assist in a broader public understanding, to have the filing levels the same at the beginning of this part of the program.

Elimination of provisions of bill earmarking collections and requiring special accounting: The bill designates the taxes as "contributions," provides that they are levied for the purpose of paying benefits, and eliminates the existing provision that they shall be paid into the Treasury as internal revenue collections. It further provides that the "contributions" shall be paid directly into the trust fund. These provisions would encumber internal revenue office and field procedures and forms, and would require separate accounting by collectors. Even though not insurmountable, these difficulties are real, and to overcome them would add significantly to our costs of administration. It is recommended (1) that the taxes be called "taxes," and (2) that collectors be permitted to deposit them in the banks and account for them as internal revenue collections. The segregation for accounting purposes would occur at a later stage as under present law.

Exclusion from taxable wages in certain cases of remuneration paid in calendar quarter if less than \$25: This exclusion in the bill deals with agricultural labor, domestic service, and service not in the course of the employer's trade or business. We recommend that the test be geared to cash remuneration only, rather than all remuneration including remuneration other than cash.

This is highly important in alleviating record keeping and reporting burdens in the field of agricultural labor and domestic service. Under the bill no tax would be payable on remuneration paid during a calendar quarter by an employer to an employee in such fields if the remuneration is less than \$25, nor would such remuneration be creditable toward benefits. This provision eliminates from coverage and reporting most of the occasional and temporary farm and household employees. It is believed that the cash test would be better understood and prove to be more easily administered.

(2) BRIEF DESCRIPTION OF CERTAIN OF OUR PRESENT PROCEDURES

In order that we may have before us an outline of the administrative procedures involved in the present system which in principle are not unlike those involved in respect to the extended coverage proposed for agricultural and domestic employees, I should like to list briefly the major steps under the present system. It should be understood, however, that in this description I am not suggesting at this time that these precise methods must necessarily be applied to the new areas of coverage. The present method comprises seven major procedural operations; each of these appear below.

(a) Employment tax blanks are delivered to employers each quarter for the reporting of taxes due under the Federal Insurance Contributions Act, the wages on which such taxes are based, and the employees to whom the wages were paid. Addressograph machines are used for mailing the forms each quarter. The mail-

ing of blank forms to the employers is a convenience to the employers and serves as a reminder that the return must be prepared and the tax paid.

(b) The returns when received by the collectors from the employers are checked for completeness, and schedules A (the information portion showing the names of employees and wages paid) are separated from the return and forwarded to the Social Security Administration for the purpose of posting wage credits.

(c) The returns are listed for assessment.

(d) An office verification is made of the returns in order to verify the computation of the tax and to make a comparison of the amount of the wages paid, as shown on the tax portion of the return, with the total wages reported on schedule A.

(e) A delinquency check is made after each quarter to see that all employers listed on the master list have filed their returns. In an average quarter, approximately 10 percent of the employers listed on the master list fail to file timely. Letters are addressed to these employers to procure either the return or an explanation as to why one was not filed. From 2 to 3 percent of the names on the master list are deleted each quarter and approximately the same number of new names are added.

(f) Where employee account numbers are not shown for the employees on schedule A as required by the Social Security Administration, the collectors attempt to obtain such numbers.

(g) In those cases where the employers do not respond to the letters, field deputy collectors are assigned to obtain the necessary information, returns, and tax.

(3) PLANS UNDER CONSIDERATION FOR THE ADMINISTRATIVE MANAGEMENT OF THE PROPOSED PROGRAM RELATING TO AGRICULTURAL AND DOMESTIC EMPLOYEES

Turning now to the third item which I mentioned at the outset, namely, a description of the systems under consideration for the administrative management of the proposed program relating to agricultural and domestic employees, I should like to refer to a Treasury Department statement released during December 1947 in respect to alternative methods of administering a broader social security system. While there are a number of methods of extending coverage to the agricultural and domestic employees, three of which were outlined in that release, subsequent consideration leads me to conclude that the field should be narrowed down to two of the plans which were discussed in that release, namely, the stamp system, and the return system. A brief outline of these plans follow:

Stamp system: Under this system the social security tax would be paid through the purchase of stamps by the employer and his affixing them to the employee's stamp book. The stamps accumulated in this book would constitute the employee's working record during the period the book is valid. When paying wages, the employer would withhold the employee's tax and affix and cancel stamps in the appropriate amount.

Each agricultural and domestic employee would obtain a social security account number and a stamp book from the Social Security Administration. The stamp books, valid for 6 months, would be presented to the employer for affixing the appropriate stamps at the time wages are paid. Each stamp book would contain a detachable form to be mailed by the employees to the Social Security Administration shortly before the end of the 6-month period, applying for new books and listing their current addresses. It would also contain space on which an employee would enter the name and address of any employer who failed to affix stamps, together with the amount and date of wage payments. Upon receipt of the employee's application a new book would be issued. At the close of each 6-month period, the employee would send in his old book for posting and other processing by the Social Security Administration.

The Post Office Department, it is understood, would participate to a considerable extent in certain of the above-described operations.

On presentation of completed application forms, employers would purchase social security stamps, available in suitable denominations, from post offices, rural carriers, and collectors of internal revenue. Whenever employees fail to present their stamp books, employers would be required to report on prescribed forms the employees' account numbers, names and wages, and to affix the necessary stamps to that form.

Return system: Under this system every employer and employee is assigned an identification number by the Social Security Administration. Each calendar quarter the employer files with the collector of internal revenue a return which reports the employer's name and identifying number, each employee's account number, name, and quarterly earnings, and the computation of tax liability. The employer withholds the employee's tax from his wage payment, keeps records of both wages and tax, and each quarter remits both the employees' and employers' tax with his return. Periodically or on termination of employment the employer furnishes each employee a statement showing his wages and employees' tax.

The collector detaches the schedule of employee wage information from the return and transmits it to the Social Security Administration where the amount of each employee's wages is posted to his social security account.

This, you will recall, is somewhat similar to the system which I have previously outlined as existing procedure. There is, however, one notable difference which is being given consideration in connection with the return system, namely, that of providing a separate return form for employers of agricultural and domestic workers. This separate return form is much more easily understood and is simpler than the form now in use by employers of nonagricultural and nondomestic workers. In principle, the distinction between the present form and the proposed simplified form is closely analogous to the distinction between the present two types of individual income tax returns, namely, the Form 1040 for the businessman and upper income salaried person, while the Form 1040A is provided for the salaried person in the lower brackets.

(4) OUTLINE OF PLAN FOR THE ADMINISTRATIVE MANAGEMENT OF THE PROGRAM RELATING TO THE SELF-EMPLOYED

We come now to the fourth topic which I indicated that I would like to discuss, namely, the management of the program relating to the self-employed.

The plan for the coverage of the self-employed calls for the imposition of a tax on self-employed individuals measured by selected items of income reported for income tax purposes. It provides for the segregation of that part of total income which is most nearly comparable to wage income and analogous to earned income. Individuals affected, limited to those whose self-employment income for the taxable year exceeds exemption, will file an annual self-employment tax return and pay a self-employment tax at the same time as they file their income tax return and pay their income tax. The self-employment tax return will be made on the basis of either the fiscal year or the calendar year in conformity with the method used in filing the individual income tax return. The base of the proposed self-employment tax would be derived from items of income tax reported on the income tax return and this would facilitate appreciably tax administration and taxpayer compliance.

Specifically, the plan would provide for transferring from the income tax form and using as the basis of self-employment income the amounts reported in the appropriate schedules of the individual income tax return, Form 1040, which represent income from a business or profession and income from partnerships. Interest and dividends would be excluded from the proposed tax base because normally they constitute investment income. To the extent, however, that interest or dividends represent trade or business income, provision would be made for including such income in the self-employment tax base. Royalty income would receive similar treatment, that is, to the extent that such income is derived from a trade or business, it would be included in the tax base. Income from rents would be included only to the extent that it represents rentals received in the course of the individual's trade or business as a real-estate dealer, or from the operation of a rooming house or hotel operated primarily for the production of income.

All capital gains and losses would be excluded from the tax base since this item is clearly not earned income. Likewise, gains and losses from the sale or exchange of property, other than capital assets, which is used in the taxpayer's trade or business, are to be excluded from the tax base.

Income derived by an individual from the performance of services as an employee, and the income derived by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry, or by a member of a religious order in the exercise of duties required by such order, are specifically excluded from the tax base.

A return would be required of every individual deriving income during the taxable year from a business or profession carried on by such individual in the United States if he had taxable self-employment income of \$200 or more and gross income from all sources of \$500 or more. In my statement in respect to certain technical changes, I recommended that the \$500 filing requirement be raised to \$600.

The maximum amount of taxable self-employment income for the calendar year 1949 and for fiscal years beginning in 1949 would be \$3,000, less such amounts of wages as have been subject to social security tax withholding by the employer. For taxable years beginning after December 31, 1949, the \$3,000 limitation would be raised to \$4,800.

Copies of all tentative return forms to which reference has been made are available for your inspection.

(5) SUMMARY

In conclusion, I should like to summarize the Bureau's position in respect to the bill before you. The program embraced in H. R. 2893 is feasible if we are given the necessary equipment, personnel, and space to carry it through. Its feasibility is primarily due to the fact that the present income tax coverage and other governmental forms, to which the individuals in these areas have now become accustomed, have provided them with the necessary experience to satisfactorily comply with the provisions of the bill.

It is not my purpose to minimize the task that would be placed in the hands of the Bureau of Internal Revenue by the enactment of this bill. Obviously that task is a big one, requiring careful planning and additional personnel, equipment, and space. However, because of our experience, we are in a better position today to meet the problems entailed in this new coverage than we were 12 years ago to meet the problems which confronted us under the initial coverage.

As to the method to be employed in the collection of the tax under the proposed legislation involving agricultural and domestic workers, I might state that the Bureau of Internal Revenue believes at this time that the return method is more effective from the viewpoint of the protection of the Government revenues as well as the employees' interest. On the other hand, in my opinion, the stamp plan is also feasible from an administrative standpoint.

In respect to the method to be employed in the collection of the tax under the proposed legislation involving the self-employed, we feel confident that the approach which we have suggested by tying it in with the business and partnership schedules on the individual income tax return is the best method.

Therefore, in order to aid us in reaching the best procedural approach, after appropriate experimentation, the Bureau should be permitted some flexibility in the matter of the type of collection system to be used, with the understanding that every effort will be made by careful study within the Bureau, as well as through consultation with the Federal Security Agency and representatives of the various taxpayer groups affected, to develop the most workable plan.

With full knowledge of the many problems posed by H. R. 2893, I wish to assure you that our objective will be to administer the provisions of the law which you may enact in a manner designed to best achieve its purpose.

Exhibit 21.—Miscellaneous revenue legislation enacted during the fiscal year 1949

EIGHTIETH CONGRESS, SECOND SESSION

Public Law 869, July 1, 1948, amended section 812 (e) (1) (G) of the Internal Revenue Code, relating to the marital deduction under the estate tax, to provide that the proceeds of a life insurance, endowment, or annuity contract will qualify for such deduction if the proceeds are to be held by the insurer under an agreement to pay them in installments or to pay interest thereon, annually or more frequently, if the surviving spouse is entitled to all such payments during her lifetime and has the power to appoint the proceeds to herself or the power to appoint to her estate all amounts payable after her death, and if no person other than the surviving spouse has a power to appoint the proceeds in favor of anyone other than such spouse.

Public Law 899, July 3, 1948, amended section 3154 of the Internal Revenue Code, relating to refunds and credits to brewers, to require the Commissioner to

make refund or allow credit to a brewer in the amount of the tax paid by such brewer on any fermented malt liquor manufactured by him which was lost in the bottling house through breakage or leakage or in the process of filling, capping, pasteurizing, or labeling, limiting the losses allowable to 2½ percent of the tax paid. Section 3404 (d) of the Internal Revenue Code, relating to manufacturers' excise tax on musical instruments, was also amended to exempt from the tax imposed thereunder musical instruments sold for the use of any religious or non-profit educational institution for exclusively religious or educational purposes.

EIGHTY-FIRST CONGRESS, FIRST SESSION

Public Law 2, January 19, 1949, provided for the payment of tax-exempt expense allowances of \$50,000 to the President, \$10,000 to the Vice President, and \$10,000 to the Speaker of the House of Representatives, to assist in defraying expenses relating to or resulting from the discharge of their official duties.

Public Law 4, February 3, 1949, amended Public Law 769, 80th Congress, to extend through June 30, 1949, the time during which any articles certified by the Secretary of State as being donated in promotion of international good will by the people or Government of the Republic of France, for sale for charitable purposes in the United States, may be imported free of customs duties, fees, or charges and internal revenue taxes.

Public Law 33, March 31, 1949, provided that the import tax imposed under section 3425 of the Internal Revenue Code upon copper shall not apply with respect to articles (other than copper sulfate and certain composition metal) imported during the period beginning April 1, 1949, and ending with the close of June 30, 1950.

Public Law 35, March 31, 1949, amended section 3469 (a) of the Internal Revenue Code, relating to the tax on transportation of persons, to provide that on and after April 1, 1949, a port or station within Newfoundland (which on April 1, 1949, became a part of Canada) shall not be considered a port or station within Canada in applying the provision of that section that, with respect to transportation any part of which is outside the northern portion of the Western Hemisphere, the tax shall apply only to any part of such transportation which is between ports or stations within the United States, Canada, or Mexico.

Public Law 50, April 20, 1949, amended section 5 of Public Law 384, Eightieth Congress, to provide that March 31, 1951, shall be considered the termination date of the war for the purposes of the proviso of section 511 (h) of the Merchant Marine Act of 1936 which authorizes the Maritime Commission to grant special extensions of time, ending not later than six months after the termination of the war, for the performance of certain acts with respect to ship construction reserve funds, required for the enjoyment of certain special tax treatment for such reserve funds.

Public Law 72, May 24, 1949, contains a provision amending section 2411 of the Judicial Code to restore the provisions of section 177 of the former Judicial Code for the payment of interest on judgments for tax refunds at the rate of 6 percent rather than the 4 percent generally payable on judgments rendered against the United States. Other provisions of the act amend section 1346 (a) (1) of the Judicial Code so as to clarify that subsection with respect to district court jurisdiction over suits involving tax claims where the amount involved is less than \$10,000, and section 1141 (a) of the Internal Revenue Code to conform it with the style of nomenclature adopted in the revised Judicial Code.

Public Law 137, June 28, 1949, amended sections 403 (d) (3) and 452 (c) of the Revenue Act of 1942 to extend through June 30, 1950, the period within which the release, or the possession at death without exercise, of a power of appointment created on or before October 21, 1942, will not be subject to estate or gift tax. The act also amended subsection (j) of the Renegotiation Act to extend through June 30, 1950, the period within which persons may serve in certain executive departments and agencies (including the Treasury Department) without, after separation from the service, being prohibited from acting as counsel, agent, or attorney for prosecuting claims against the United States by reason of having so served. The effect of the amendment is to continue, with respect to such persons, earlier suspensions of section 190 of the Revised Statutes, which inhibits such activity within two years next following termination of such employment.

STATEMENT¹ AND ADDRESSES**Exhibit 22.—Address by Secretary of the Treasury Snyder before the annual convention of the National Association of Supervisors of State Banks, Louisville, Ky., September 22, 1948, on the business outlook**

It is a real pleasure to be here with the State Bank Supervisors today. We meet on a common ground—a genuine interest in the protection, development, and betterment of our banking system.

I have been associated for many years with bank supervision under all sorts of economic conditions. I spent years adjusting the affairs of banks which had become involved in serious insolvency; I have been an active participant, both as principal and as supervisor, in the making of many Government loans—some in cooperation with banks and some for the purpose of enabling banks to reestablish themselves; and I have had general direction in recent years over the supervision of the banks of the national banking system. On the other hand, I have also been on the receiving side of bank supervision during the time I served as a bank officer.

No one knows better than bank supervisors of the vast changes which have taken place in our banking system during the past quarter-century, and we all know the extent to which those changes were beneficially influenced by bank supervisors. You are to be commended for the job you have done, and are doing.

In my experience in banking and connection with banking supervision, I have acquired a very strong conviction in which I believe all of you will join. This relates to the importance to successful banking of an understanding of national and world economic trends. To a large extent, within our generation, the extremes of weak and strong banking have resulted from the foresight, or the lack of it, of the banking fraternity and of bank supervision. For this reason, no subject should be of greater significance to bank supervisors than the underlying forces and trends of the general economic picture.

Discussion of the economic situation as it looks today, recalls a talk that I gave before the Economic Club of New York nearly two years ago, in November 1946. At that time there was great uncertainty over the business prospect. The stock market had broken badly in September, which led many to believe that a business decline would shortly follow. Business observers feared a repetition of the 1920 crash. This fear was reinforced by a great rise in business inventories, which had increased more than \$6 billion in four months.

In the fall of 1946, the production of both manufactured goods and farm products was far above any previous peacetime level. Industrial production was 80 percent above the 5-year prewar average, and farm production exceeded the prewar level by fully one-third. Civilian employment was at an all-time record.

"How long can it last?" was the big question at that time. A survey of the opinions of economists, bankers, and other business observers showed a widely held belief that business would reach a top within a few months, and that by the following summer it would start a substantial decline. But I saw no reason to accept that opinion. For with all the enormous resources of our country, with our huge unfilled demand for goods, and with certain safeguards that had been installed by the Government during recent years to protect our economy, many of us did not believe that a postwar recession was inevitable just because one occurred after World War I.

In my talk to the Economic Club, I pointed out some of the important differences between the postwar situation of 1920 and that of 1946, and stated that, in view of these differences, I could not see how a fair appraisal of "America Today" could justify the feeling that a material recession in "America Tomorrow" was inevitable. The events of the past two years have borne out this belief. Far from suffering the recession that many had predicted, our national production and consumption have pushed forward to new records.

The industrial production index is now about 190, as compared with 180 in the fall of 1946. Employment has reached new high records, with more than 61 million persons now in civilian jobs. This does not include the armed forces. Agricultural production is close to the wartime peak. Cash farm income in the first 8 months of 1948 was 4 percent higher than in the same period last year. Our material well-being has improved substantially as more and more consumer goods have become available.

¹ Other statements will be found as exhibits 15, 16, and 20.

It is important however that we distinguish between a high-level economy and the boom stage in the so-called "business cycle". For herein, as I see it, lies the essential difference between the present economic situation and those periods of the twenties. A high-level economy with widespread prosperity, such as we have today, does not necessarily imply that the foundation must be unsound. It may well be based on sound conditions which could be prolonged indefinitely, provided an unbalanced situation were not allowed to develop. Let me repeat this—for I think it touches the heart of the whole situation. Our prosperity can be continued and spread to more and more of our people—as it should—provided we do not allow an unbalanced condition to develop.

Let me point out some of the factors which could be dangerous. A typical boom stage in the business cycle can only be temporary, because it is built on an unbalanced foundation, generally characterized by excessive speculation. The booms of the twenties, for example, were fed by widespread speculation in commodities and in rural or urban real estate, much of which was financed with borrowed money. The boom which ended in 1929 was unbalanced by Nationwide stock market speculation which was also largely financed with borrowed money.

Today it seems quite clear that neither production nor prices are being supported by a rising tide of speculation, such as characterized the 1920 booms. The speculative interest in the commodity markets is proportionately normal. Speculation in the stock market has remained rational. Businessmen generally have been cautious about expanding their inventories. We owe this continued well-balanced situation, in large part, to the good sense of the American people aided by various actions and timely warning signals from the Government.

We must be constantly alert, however, to the potential dangers that have threatened through growing inflationary pressures. The outstanding need of our economy is to counteract these pressures. The Government has only limited weapons for this purpose, but the Government is vigorous in using those that it has. Let no one have any doubt about this. One of these weapons has been the policy of directing debt management to a rapid reduction of the Federal debt, particularly that held by banks.

Budget surpluses, enabling debt reduction during the past two years, have been aimed at reducing inflationary pressures. I stated when I assumed office as Secretary of the Treasury in June 1946 that it was the responsibility of the Government to reduce its expenditures in every possible way, and to achieve a balanced budget, or better. Both President Truman and I have continued to emphasize the imperative necessity of reducing our debt burden during this period of great prosperity.

It was most gratifying to be able to announce at the end of the fiscal year just passed that we had completed two years of budget surpluses. In the 1948 fiscal year, we achieved by far the largest surplus in our history—\$8,419 million. But, unfortunately, the record of these two years of surpluses will not be repeated during the present fiscal year. And that is due to the ill-timed and ill-conceived tax bill passed in the last Congress.

In carrying out the Treasury's debt management policy, the debt held by the commercial banking system has been reduced by \$30 billion since February 1946, or \$3 billion more than the reduction in the total debt. There has been an actual increase during this period of \$3 billion in Federal debt held by nonbank investors. This increase reflects principally the increased amount of securities held by Government trust funds and the vigorous sales campaigns for savings bonds conducted during the period.

As part of the Treasury program to reduce inflationary pressures, credit has been tightened by a gradual increase in interest rates on short-term Treasury securities, and by a sharp reduction in premiums on long-term issues. Indicating the effectiveness of these actions, it is encouraging to note that the money supply has lately declined. At the end of July, the currency outside of banks plus adjusted demand deposits was \$4.6 billion less than the all-time peak of \$113.6 billion reached at the end of last December. This was partly seasonal, but last year the reduction during the same period was only \$1.0 billion.

But perhaps the most significant factor in the business structure of the Nation is the fact that both individuals and corporations have built up assets of sufficient volume to maintain a highly liquid financial position. The liquid assets of individuals are now estimated at approximately \$200 billion, of which more than \$140 billion has been accumulated since 1939. Net working capital of corporations has increased by \$38 billion since 1939, reaching a recent total of \$62 billion.

Corporate holdings of cash and Government securities have increased \$22 billion since 1939.

And the strong financial position in agriculture is well illustrated by the situation in farm real estate. While prices of farms have advanced even more rapidly in recent years than during the comparable period of World War I, the rise has not been financed by borrowing. On the contrary, it has been accompanied by a decrease of about 30 percent in farm mortgage debt, in contrast to an increase of 160 percent during the speculative land boom of World War I. The total farm mortgage debt of \$4¾ billion at the end of 1947 was less than 8 percent of the value of all farm lands and buildings. In this, and in other respects, agriculture stands today on a much firmer foundation than it did in the twenties.

In any appraisal of the strength of our economy now as contrasted with the situation in the twenties, full regard must be given to the safeguards and supports which have been provided since the early 1930's by a government acting with vision and dispatch in response to a nation's awakened sense of social responsibility. Today, under the provisions of social security legislation, we have federally sponsored State unemployment insurance which would aid materially in maintaining purchasing power should there ever develop a serious business set-back.

Today the position of agriculture is bolstered not only by the strong financial condition of farmers, but also by measures to insure proper returns to the farmers for their farm products. The Administration's program for protecting the rights of labor, which has broadened the use of collective bargaining in wage negotiations, has served to strengthen and stabilize the entire wage structure. Under the protective operations of the Securities and Exchange Commission, investors in securities are enabled to obtain full and accurate information concerning the registered issues. Restrictions on the use of credit in stock market trading, administered by the Federal Reserve Board, have done much to prevent excessive speculation in that field. The Federal Deposit Insurance legislation protects the savings of depositors, and the stability of the banking structure is thereby immensely improved.

When all of these factors are summarized, they indicate without question that the national economy today is much healthier and stronger than it was in the twenties. We must concentrate on those features of our present situation that have enabled us to maintain a basically sound high-level economy, and we must be alert for any developing evidence of unbalance that might cause an unnecessary break-down.

The present picture is a reassuring one; but there are a few unhealthy symptoms in addition to the inflationary pressures which I have mentioned. One is the extent of real estate speculation and another is the rapid rise in consumer credit, now at record levels. This type of credit expansion not only contributes to inflationary pressure now, but will be strongly deflationary later. The banking fraternity has made a valuable and significant contribution toward stabilizing our economy through the voluntary program for credit control which the American Bankers' Association has so aggressively sponsored. A more careful screening of loan applications brought visible results during the first half of this year in holding down bank credit. This action has contributed substantially toward preserving a well-balanced economy.

Since the Treasury, in this fiscal year, will no longer be able to contribute substantially to inflation control by an excess of receipts over expenditures, an even greater responsibility will be placed on the men who determine loan policies in the Nation's 15,000 banks. A liberal uncoordinated credit policy contributed to the short-lived speculative boom after the First World War, the liquidation of which brought heavy losses to lenders as well as borrowers. We have too much at stake to risk a repetition of that experience. All types of loans should be kept on a sound basis. Speculative buying should be held to a proper minimum. And consumer credit should not be allowed to become over-extended. A greater and even more prosperous future faces this Nation if we are wise.

The Nation is faced with a heavy unfilled demand for houses, for automobiles, farm machinery, freight cars, steel, electrical capacity, new schools, and highways. Our population is growing, and a still greater expansion in these facilities may well be called for in the future. Electronic devices, plastics, and other new inventions are attracting an increasing public demand. We have only begun to tap the billions of savings built up during the war years. All of these facts testify to the powerful reserve strength in our national economy.

For with our eyes ever toward the future—with alertness to detect and forestall any threat to our economic stability—we have every reason to hope for continued prosperity in the years to come, and for an even greater and better America.

Exhibit 23.—Address by Secretary of the Treasury Snyder before the National Credit Conference of the American Bankers Association, Chicago, Ill., December 14, 1948, on the cooperative role of the banking system and the Treasury in strengthening our economy

I am particularly glad to have the opportunity of speaking to you on the occasion of this National Credit Conference. Your group holds a strategic position in shaping policies of credit right at the borrower's level, where the effect on the welfare of not only the borrower but of the nation is direct and immediate. In the past, you have demonstrated many times your ability to make these policies effective. We expect the programs you are considering at this meeting to have a wholesome and salutary effect upon present and future policies.

In certain respects, 1948 has been a critical one in the credit picture. But I am glad to say that bank loans during this year have been carefully screened, resulting in a total increase of much less than last year. Total loans of the weekly reporting member banks expanded only \$1.8 billion through December 1, 1948, as compared with a rise of \$3.8 billion in the same period of 1947.

This satisfactory showing is attributable in very large measure to the credit control program of the American Bankers Association. Through this voluntary program, the bankers of the country have rendered an important service by adhering to a more than usually cautious loan policy in this critical inflationary period.

Your willingness to forego immediate banking profits in the interest of a stable national economy is sound and farsighted banking practice.

I am today firmly convinced that the banking fraternity must conscientiously work toward effective leadership in an ever broadening financial field. Your recent action through the A. B. A. anti-inflation program has shown a bold and aggressive inclination and ability to step out as leaders and to take an active part in shaping our present and future economy.

This has not been an easy task. It has required a high degree of flexibility. But in the interest of the national economy, bankers must maintain this position and make ready to meet inflationary pressures with self-imposed restraint, or to step in with a sound loan policy in times when the demand for bank credit is wholesome.

At this time it would be well to take stock of the Nation's present economic position, and to calculate what may lie ahead. I should like particularly to discuss the cooperative role of the banking system and the Treasury Department in dealing with our most important national economic problem—that of strengthening our economy at the present high level of prosperity.

The achievements of this country in the three years since VJ-day have been, to say the least, remarkable. The reconversion from war to peacetime production was accomplished with amazing speed and efficiency. During these years, while substantially meeting our own current needs, we have also provided relief, rehabilitation, and reconstruction to a large part of the war-torn areas of the world.

We have now reached a stage where wartime accumulation of demand for many products is becoming more nearly satisfied. But let me remind you that severe shortages still exist in lines such as steel and other metals, and in their products. Labor shortages remain a problem. Many new products and new demands for service await only a more adequate supply of basic materials and labor.

The demand for these new items should serve to replace any significant deflationary reduction in demand that might follow the filling up of wartime shortages. In fact, such a replacement process has already been going on for some time, and corrective adjustments have occurred in various industries without appreciably affecting the over-all business level.

In certain respects, the present business picture resembles that of the mid-1920's. Although the economic levels then were lower, that period was also one of high prosperity. National income had reached the highest level in history up to that time; labor was practically fully employed; and business was highly prosperous.

The maintenance of that high-level prosperity over an extended period can be attributed to the fact that, until the stock market got out of hand in 1928, there was no hazardous volume of speculative excesses in the economy—no over-buying, over-borrowing, nor over-expansion. It is true that speculation in city real estate was overdone—and there are some signs of this today—but the impact was

not of sufficient force to unsettle the economic levels. With economic conditions continuing on an even keel, the volume of industrial production became established on a generally stable but gradually rising trend for the 5-year period from 1923 through 1927.

In the interest of our country's future, we must not fail to heed the lesson of the 1920's. We must do all in our power to perpetuate a stable business trend, and make every effort to heed any signals of a business collapse similar to that of 1929.

To this end, you bankers play a most important role. One of your first responsibilities is to closely examine each loan application from the viewpoint of its effect on the national economy. For obviously, loans that are not made for a sound productive purpose mortgage future income to increase present demand. Such loans are not only inflationary today—they are distinct contributions to a boom and bust cycle.

Our economy is at present in a basically sound condition, and shows encouraging signs of stability in the vicinity of the present high levels. There is today no strong evidence of over-buying by consumers, nor of over-expansion by industry. And consumer demand on the whole is still, for these times, healthily unsatisfied, and capacity in many lines is still inadequate.

The fact that our present economic levels are much higher than before the war is no reason for doubting that they can be maintained. The new record levels established in the mid-twenties, exceeding the peaks reached in World War I, unquestionably seemed excessive to many at the time. Now we have 25 million more people than we had in 1929. We are definitely in a growing economy, and previous standards cannot be used to measure our present prospects.

The people of all the democratic countries of the world look on the United States as a bulwark of economic and financial strength. To justify this confidence, it is essential that we recognize our joint responsibility to maintain an ever constant watch for any influence by which our own strength might be undermined.

Achievement and maintenance of national economic stability depend upon many factors, of which one of the most elemental is confidence in the Government's credit.

The Treasury's first objective is to conduct fiscal policy in such a manner as to promote full confidence in the credit of the United States Government—and stability of the Government bond market is essential to this achievement.

I came to the Treasury in June of 1946, when we were in the process of transition from war to peace. The country was faced with numerous and varied economic problems. Not the least of these at that time was the unprecedented size of our public debt—a public debt without parallel both in terms of its dollar total and in its relation to the economy of the country.

Confidence in the stability of the Government bond market had to be assured to maintain the underlying strength of the national financial system. It would ease reconversion problems for industry, business, and Government. It would encourage the capital expansion so necessary for maximum production in peacetime.

Therefore, during my tenure of office, the Treasury, in cooperation with the Federal Reserve Board, has directed its efforts toward maintaining this confidence in the stability of the Government bond market. Such efforts have contributed materially toward promoting business confidence and toward attaining the fullest economic activity in our peacetime history.

It is to be emphasized, however, that the desirability of continued stability in the Government bond market and confidence in the Government's credit has great implications beyond the domestic business picture alone. The present international situation makes it particularly imperative that United States financial strength and integrity remain unquestioned.

The Treasury and Federal Reserve have directed their efforts toward maintaining bond market stability in both directions—toward keeping bond prices from going up too high and too fast, and toward keeping them from going down too sharply. Beginning in the spring of 1947 we took action to control an incipient boom in the bond market—by selling long-term bonds from some of the Government investment accounts, by offering the Investment Series of bonds to institutional investors, and by increasing short-term rates. All of these operations combined to take upward pressure off the market.

When conditions changed, and a downward pressure on bond prices developed, we stabilized the bond market through purchases of long-term bonds. All of our

actions have been taken with a view toward promoting business confidence and of attaining a high level of employment and production.

These reasons in themselves should be enough. But there are further important reasons for maintaining stability in the Government bond market.

A public debt of the magnitude of \$250 billion is unknown to any past period of our economy. The uncompromising war-time demands, however, forced a revision of our entire financial and fiscal thinking. One of the important decisions made early in the war was to sell as many securities as possible to nonbank purchasers. This decision had tremendous implications for the future of our debt management policies. This was particularly significant with respect to the sale of Government securities to tens of millions of purchasers, who now hold \$55 billion of nontransferable savings bonds.

Another important factor for consideration is that the budgetary cost of servicing the public debt would be increased by any significant decline in bond prices. The interest cost is already \$5.3 billion a year. A further rise in the budget charge for interest payments would be of Nation-wide importance, and it would affect every taxpayer. A rise in the average interest rate of the public debt by as little as $\frac{1}{2}$ of 1 percent would cost the American taxpayers approximately \$1,250 million a year.

The Treasury was able to finance the last war at an average interest rate of less than one-half the interest rate of World War I. If this had not been done, the present interest charge would have been more than \$10 billion a year instead of \$5 billion.

It has been argued that support of the market is inflationary, because of the large sales of Government securities to the Federal Reserve, and that we are paying too high a price in order to gain the benefits of bond market stability which I have outlined. Actually, there has been no net increase in Federal Reserve holdings of Government securities attributable to the support program. Since this program was initiated in November 1947, Federal Reserve holdings have increased by some \$950 million. Much more than this, however, is directly attributable to the \$2 billion increase in reserve requirements last September.

Furthermore, if the bond market were allowed to get out of control, there is a real possibility that we would have more inflation to contend with, rather than less inflation. The removal of confidence in the stability of the bond market, and a consequent impairment of confidence in our financial situation, might well have serious consequences in this country and cause a weakening of confidence in our financial stability throughout the world.

Despite the continued strength in our national economy, there is some feeling of apprehension in business circles.

It might almost seem that this business apprehension is getting to be a seasonal affair. In the fall of 1945 there was a general fear of widespread unemployment because of reconversion from the war effort. In the fall of 1946 a business scare developed over the severe stock market break in September of that year. Last fall there was fear of unfavorable effects from the credit restriction program.

None of these business fears were realized. But unwarranted as they were, they have had the beneficial result of putting a damper on various speculative projects, which would in any case have been of questionable economic benefit. I doubt that any sound expansion plan, for which a real need existed, has been affected.

I see no reason to believe that the present business apprehension rests on any more substantial basis than the earlier ones. On the contrary, the prospect of a continuation of the policies of recent years should give the Nation increased confidence in the stability of present high business levels. The President has made very clear in his statements to Congress and to the Nation that a major objective of his administrative program has always been, and will continue to be, a well-maintained high-level economy, and, within this framework, to provide for a balanced budget and progressive debt reduction.

An extended prosperity can only be achieved by a policy of moderation—by encouraging a healthy business development while restraining the excesses of over-buying, over-borrowing, and over-expansion which inevitably would bring on a business depression. This policy of moderation has been and will continue to be the Administration's program.

The Nation has a huge task before it. We must meet the normal demands of a growing population with high living standards. We must provide productive machinery to replace that worn out during the war. We must build new homes,

new hospitals, new churches and schools, and new municipal facilities. We must rebuild thousands of miles of highways. In addition to all this, we must do our part in the great task of world reconstruction, and we must build a powerful defense establishment, to the end that normal international relationships, free from the threat of war, may become re-established throughout the world.

This is a large order. It is a sobering prospect. In the years ahead, our major task will be to protect this American economy from the mistakes of the past—not only to insure that a serious business depression shall not happen, but to be certain that we maintain our present course of national economic progress.

Exhibit 24.—Statement by Secretary of the Treasury Snyder before the congressional Joint Committee on the Economic Report, February 10, 1949, on the state of the finances of the Government

Mr. Chairman and members of the Committee: I appreciate your invitation to appear before this Committee to discuss the state of the finances of the Government of the United States.

As you know, the Secretary of the Treasury since the creation of the Department has been submitting to the Congress at its opening session each year an annual report on the state of the finances of the Federal Government for the preceding fiscal year. I submitted such a report for the fiscal year 1948 a few weeks ago. I should like at this time to present what might be termed an interim report, and to discuss in some detail the outlook for the Federal fiscal position for the calendar year 1949.

In the 2½ years that I have been in the Treasury, my first objective has been the sound financial position of the United States Government. This period has been a particularly critical one in our economic life. It has covered in major part the reconversion to a peacetime economy, the restocking of war-depleted inventories, the easing of accumulated shortages, and, to a considerable extent, the transition back to an economy of buyers' markets and normal competition. The speed of reconversion is a tribute to American management, technical skill and good will on the part of labor, management, and the consuming public.

The contrast with the experiences after World War I is sharp. That war was followed by a period of rapid inflation, speculation in commodities and inventories, followed by a sharp crisis and depression. The collapse of the speculative boom after World War I also broke the market for Government bonds, and in this way helped to undermine confidence in the stability of our economy.

This time, we have been able to avoid these disasters. Our Nation today is in a far stronger financial position. There is no evidence of more than normal speculative holdings of commodities. In fact, speculation recently, both in commodities and in the stock market, has not been cause for concern. Inventories in most lines have been kept low by cautious inventory policies, and by continuing shortages of many types of goods.

Economic stability at the present high levels of employment and production depends to a great degree on continued confidence in the Government's credit.

The importance of confidence in the financial soundness of national governments, as a powerful economic factor, is clearly evident among the countries of the world today, when even moderate differences in national credit confidence are plainly reflected in differences in the rate of economic progress.

The objective of sustaining the sound financial position of the United States Government has involved two separate lines of action. The first has been to develop a sound fiscal policy, which must be based on a revenue system that will not only meet the cost of prescribed Government functions, but which will yield a surplus for a gradual retirement of the public debt.

The second line of action has been to manage our public debt in such a way as not only to assure confidence in the Government's credit, but to promote economic stability.

The accumulation of a large public debt is inevitable in war time and the cost of the last war was so great that the public debt of the United States reached unprecedented levels. Fortunately, the economy of this country expanded during the war period so that this huge public debt did not constitute too great a burden on the national income of the people. Nevertheless it represents a serious annual cost, and the existence of a large debt requires careful management so that it can contribute to economic stability rather than stimulate speculation on the one hand, or precipitate financial stringency on the other.

When I came to the Treasury in June 1946 I felt that stability in the markets for Government securities would encourage business confidence and would aid materially in promoting our industrial development.

Therefore, in cooperation with the Federal Reserve System, the Treasury has sought to maintain the stability of the bond market in both directions. It has been our objective to keep bond prices from going up too rapidly or going down too sharply. In the spring of 1947 we took steps to arrest a boom in Government bonds. When conditions were reversed and selling pressure on the Government bond market developed, we changed our practice and purchased bonds. In recent months there has again been upward pressure on the bond market and we are again selling to stabilize prices. Such actions are important not merely from the standpoint of Government finance and role of Government debt in the monetary system, they are important for the whole level of the security markets, since the prices of other bonds are, to a large degree, influenced by the prices of United States securities.

Our aim has been to use fiscal policy as a stabilizer to the economy of the Nation. While this is important at all times, it is imperative at the present time when the United States is undertaking such an important role in promoting international economic cooperation and reconstruction.

The law vests responsibility for the management of the public debt in the Secretary of the Treasury, who must, with the approval of the President, make the decisions of policy involved. Therefore, I wish to discuss the Treasury's debt policy, particularly the budget position of the Government as it affects the cash position of the Treasury, and the effect of our policy actions on the various classes of investors. To facilitate the presentation, there is a booklet¹ of charts to which I will refer from time to time to make some of the points clearer.

The basic factor influencing the Treasury's financing outlook is the budget picture. The chart which appears on page 1 of the booklet covers the budget situation for 1949 and 1950, and makes a comparison with previous years. As you know, the budget forecasts a deficit for 1949 and 1950, despite the fact that economic activity is high and is likely to continue so for some time.

Expenditures reached a peak of \$99 billion for 1945, dropped to a low of \$34 billion in 1948, and are estimated in the President's budget at \$40.2 billion for 1949 and \$41.9 billion for 1950.

Receipts rose to a peak of \$45 billion in 1945, and are estimated at \$39.6 billion for 1949 and \$41 billion for 1950. Both the receipt and expenditure figures are on the new basis of Federal financial reporting, whereby tax refunds are deducted from the total revenues during the year, instead of being included in the expenditure totals.

The budget surplus or deficit of the Federal Government is represented by the difference between the receipt and the expenditure figures on the chart. As you know, a budget deficit was incurred during each year from 1931 up through 1946. In 1947 there was a surplus of three-quarters of a billion dollars. In 1948 there was a surplus of over \$8 billion. The President's budget indicates that, because of tax reduction and in the absence of new tax legislation, deficits will occur in both 1949 and 1950—in the amounts of approximately \$600 million and \$900 million, respectively.

The President said in his Budget Message that it was not sound public policy for the Government to operate at a deficit in times of high prosperity. I have, as you know, always taken this view; and I feel that I cannot emphasize its importance too strongly. It is vitally important that the Federal Government have a substantial surplus in periods of prosperity to permit a reduction in the public debt. I feel it to be essential that a tax program, as suggested by the President, be enacted by the Congress as soon as possible.

The development of tax legislation, as you know, is within the jurisdiction of the House Ways and Means Committee and the Senate Finance Committee. The Treasury has been working with these committees. The objective of the Administration is to increase revenues by \$4 billion; and the need for these additional revenues for the Federal Government is imperative. We must have a surplus during times of prosperity with which to reduce the debt; for if we do not, we shall never be able to reduce the debt in the manner which I feel is necessary and desirable.

In considering the Treasury's financing outlook, it is necessary to examine the budget figures with a view toward determining their effect on the Treasury's

¹ Omitted here.

cash balance. The Treasury cash balance is not only affected by the budget surplus or deficit, but also by additional items which bring cash into the Treasury. The cash operating surplus is typically higher than the budget surplus, as shown in the chart on page 2 [of the booklet]. This is primarily because of the money flowing into trust accounts which is then invested in Government securities.

The cash operating surplus stood at \$6.7 billion in 1947 and \$8.9 billion in 1948. It will drop to \$2.8 billion in 1949, and to \$1.5 billion in 1950. There are a number of items in the reconciliation between the budget surplus and the cash operating surplus for the fiscal years 1947 to 1950; and these are shown in the table on page 3 [of the booklet].

The top line of this table, which shows the budget surplus, corresponds to the bars on the left-hand side of the preceding chart. The bottom line of this table, showing the cash operating surplus, corresponds to the right-hand side of the preceding chart. In the center of the table, we have set forth the major items which have to be considered in reconciling the two concepts.

The most important item on this chart for 1949 and 1950 is "trust fund investments". This represents the money flowing into the trust funds. The Treasury invests this money in Government securities. The amount involved is approximately \$3 billion for the fiscal years 1947, 1948, and 1949.

For 1950 the figure is \$2 billion. It would have been higher except for the fact that there is likely to be a large outflow during the fiscal year 1950 from one of the trust funds, the national service life insurance fund. This is a result of a cash dividend of about \$2 billion to be paid to veterans.

Among the other reconciliation items are the savings bond interest accruals, which are a budget expenditure but which require cash from the Treasury only when savings bonds are redeemed for cash, or mature.

Also in the reconciliation are items referring to the notes issued to the Monetary Fund and International Bank, and the bonds issued in connection with the Armed Forces Leave Act. In both cases, the items were budget charges when the notes and bonds were issued. They affect the cash balance only on occasion of their redemption. There were large redemptions in 1948. Redemptions in 1949 and 1950 are expected to be relatively small.

There are some other minor items in reconciling the two concepts; but I have discussed the principal ones. The net of the situation is that there will be a cash surplus during the fiscal years 1949 and 1950, notwithstanding the fact that there is a budget deficit during those years.

This net addition to cash will not permit us, however, actually to reduce the public debt—which, as I mentioned a few minutes ago, is of most importance at this time. This cash will represent increases in the Government's liabilities, on one account or another. That is, we issue public debt obligations to our trust funds when money is paid into them; and our liability on the savings bonds outstanding grows as their value increases through interest accruals. The cash operating surplus comes about, therefore, primarily because the Government's liability is increasing through a series of public debt programs already in operation.

Besides the cash operating surplus, the Government receives money from the sale of savings bonds and notes. In the next chart—on page 4 [of the booklet]—the amount estimated to be received is added for 1949 and 1950.

You are all familiar with the savings bond program. It has been a program of tremendous importance and significance for many years. Receipts from cash sales from savings bonds and notes will amount to \$2.5 billion in 1949 and \$1.5 billion in 1950; and these amounts, when added to the cash operating surplus, represent the aggregate amount of cash inflow which the Treasury will have available.

I should like to mention at this point that the reduction in the amounts likely to be received from the cash sales of savings bonds and notes in 1949 and 1950 does not represent any change in the promotion aspects of the program during these two years. The difference represents the amount received from the special offering of F and G bonds to institutional investors, which was made during the first part of July 1948 and which is a part of the figures for the fiscal year 1949.

Special offerings are made to facilitate the investment of funds by some of the large institutional purchasers of Government securities when conditions warrant; and it is too early to determine whether there will be a need for an offering of this type during the next fiscal year.

In order to summarize the cash position for the calendar year 1949, I should like to direct attention for a moment to the table on page 5 [of the booklet,]

which segregates the cash inflow into the Treasury for the fiscal years 1949 and 1950 by shorter time periods.

In the July-September quarter of the fiscal year 1949, the Treasury had a cash inflow of \$2.7 billion.

In the October-December quarter of the fiscal year, there was a cash outflow of $\frac{5}{8}$ billion.

In the January-March quarter of this fiscal year—that is, the quarter in which we are now operating—the Treasury will have a cash inflow of approximately \$4 billion.

In the April-June quarter, there will be a cash outflow of \$900 million; and in the six months July-December, which is the first part of the fiscal year 1950, there will be a cash outflow of \$1.4 billion.

We have classified the cash inflow by periods shorter than the fiscal year, so that I could describe for you the fiscal situation in the calendar year 1949, a period which overlaps the two fiscal years for which estimates are in the budget.

The chart on page 6 [of the booklet] may be helpful in this connection. It shows the effect of the Treasury operations on our cash balance during the calendar year 1949. The Treasury's cash balance was \$4.2 billion on December 31, 1948. To this will be added the \$4.0 billion cash inflow, which will occur during the current quarter. During the remainder of this calendar year, there will be a cash outflow. Also, the tail-ends of maturing securities will have to be paid off during the calendar year. These transactions will reduce the balance to \$3.2 billion by December 31, 1949.

The tail-ends of maturing securities to which I refer represent the relatively small amounts of each maturing issue which are turned in for cash redemption instead of exchange when a maturing issue is refunded into a new series of Treasury obligations. Our experience is that only a small percentage of a maturing issue is held out for cash redemption; and our estimates assume a continuation of the present trend.

This picture of how the various operations affect the cash balance during the calendar year 1949 is one that I have before me daily as I consider the various policy decisions which have to be made in connection with the management of the public debt. If everything works out exactly as we now estimate, the balance would run down to \$3.2 billion by next December 31. There are, however, a number of factors which could have an important influence on the picture, which have not been taken account of.

There is, first, the possibility that expenditures might turn out to be higher than the budget. For example, there is the possibility of expenditures for the security of the North Atlantic area. The President mentioned this possibility in his Budget Message, but he did not include any amount in his budget because he wasn't sure what the amount is likely to be. If Congress should permit such expenditures during the calendar year 1949, they would have the effect of reducing the December 31 cash balance figure of \$3.2 billion by a commensurate amount.

There is also, as you know, the possibility that revenues might vary from the amount shown in the President's Budget. Revenues have been estimated on the assumption of high business activity and full employment. If unemployment should develop during the year and business should drop to a lower level than we now enjoy, revenues would be smaller. If, on the other hand, the business levels should advance, revenues would be higher.

New tax legislation may also affect the cash balance during the last part of the calendar year 1949. The effect would depend upon the type of tax legislation enacted, however. Many types of taxes applicable to 1949 would not be paid into the Treasury until the first part of the calendar year 1950. They would have no substantial effect on the cash balance picture during the calendar year.

Another factor affecting our cash position is the possibility that the dividend to be paid by the national service life insurance fund in the fall may be delayed in part by the many mechanical difficulties connected with the operation. There are some 16 million policies involved; and it may be that payments may run behind schedule and not be completed by the end of 1949. If this should happen, the cash balance would be higher temporarily by a commensurate amount.

With all these factors in mind, however, and on the basis of the necessary assumptions, this is about as realistic a projection as we can make for operating purposes at this time of the Treasury's cash outlook.

The movement of the cash balance from \$4.2 billion on December 31, 1948, to \$3.2 billion on December 31, 1949, will involve some sharp rises and falls, as

shown in the chart on page 7 [of the booklet]. This will be in a manner similar to that experienced in previous years. The cash balance will probably reach a peak in March; but the level will drop rapidly.

A cash balance figure of \$3.2 billion on December 31, 1949, would be about as low as we should prudently drop the Treasury cash balance at the end of a year when the annual expenditure budget was running in the neighborhood of \$40 billion. Please note that we have been discussing cash balances and not surplus balances.

In addition to taking care of our cash requirements, the Treasury will have a large amount of refunding to do as issues mature. I should now like to spend a moment on the important Treasury maturities during the next few years. The chart on page 8 [of the booklet] covers the bond, note, and certificate maturities in 1949. They total \$37 billion. In addition, there are \$12 billion of Treasury bills outstanding which mature at the rate of approximately \$900 million a week. Because it is unlikely that there will be any significant volume of debt reduction during the year 1949 on these maturities—except for the tail-ends of maturing securities not turned in for refunding—the entire \$49 billion on net balance is likely to be refunded into securities maturing in the future; and the maturities which are already scheduled for 1950 and subsequent years, as shown in the chart on page 9 [of the booklet] will, thereby be increased by the amount carried over from 1949.

The Treasury will thus have, as is evident, a substantial refunding problem this year, next year, and for many years to come. It will be expanded in the early 1950's by the maturity of the wartime issues of savings bonds. A positive refunding program on that account will have to be undertaken in 1951 and thereafter.

The decision on each issue as it matures is, as you know, a specialized problem, and will have to be handled separately; but this projection gives you a general outline of our position.

The maturities that I have been discussing are at the short end of the Federal debt structure. Most of the issues involved are owned by banks for the investment of their deposits and by industrial, commercial, and mercantile corporations for the investment of their short-term balances. Our financing activities and debt management operations are conducted with the objective of providing the various investor classes with the types of securities and the maturities which best suit their particular needs. This helps us in our objective of spreading the ownership of the debt as broadly as possible.

Some reflection of the extent to which this goal has been accomplished is indicated in the table on page 10 [of the booklet]. Two-thirds of the Federal debt, that is some \$167 billion, is now held outside of the banking system. Over a quarter of the public debt, some \$68 billion, is held by individuals alone. Insurance companies hold \$21½ billion of Federal securities, mutual savings banks have \$11½ billion, and corporations other than banks and insurance companies hold \$13 billion. Government investment accounts—largely individuals' savings which are reinvested in the form of social security and military insurance funds—account for \$37½ billion of the debt. State and local governments own \$8 billion and nonprofit institutions and miscellaneous investors another \$7½ billion. The remaining \$86 billion is held in the banking system—that is, commercial banks and Federal Reserve Banks.

The Federal debt at \$253 billion represents more than one-half of the total debt of the country at the present time, as shown in the chart on page 11 [of the booklet]. Before the war the Federal debt was less than a quarter of the total debt of the country. As the result of the tremendous growth in the Federal debt during the war the Federal debt has taken a new place of importance in our economy. Accordingly, anything that happens to the Federal debt is an important factor with respect to the whole credit picture of the country. On the other hand, whatever happens with respect to the Nation's private debt and the position of the various investor classes is rather intimately connected with the management of the public debt, too. We, of necessity, must keep close watch on the various developments in the financial world, and I should like to discuss some of them as they affect the position of the important investor classes.

One important class of investors in Government securities is insurance companies. Life insurance companies have been liquidating a small proportion of their Government security holdings since the end of the war as new investment opportunities unfolded, as shown on the chart on page 12 [of the booklet]. Present holdings of 49 leading companies, which hold 90 percent of life insurance

assets in the country, have declined from \$19 billion to \$15 billion since the end of 1945. During this period these same companies were, on the other hand, expanding their holdings of corporate securities and their holdings of mortgage loans. Expansion along these lines was to be expected as insurance companies entered actively in providing funds for postwar development of private industry.

Mutual savings banks also sold some Government securities in 1948 in the process of meeting private demands for capital, as shown in the chart on page 13 [of the booklet], but they still hold more Federal securities now than they did at the end of the war. In fact, mutual savings banks have 50 percent more of their funds invested in Federal securities than in all other types of loans and securities combined.

Holdings of Government securities by insured savings and loan associations have shown some decline since the end of the war as residential mortgages expanded, as shown in the chart on page 14 [of the booklet]. As contrasted with insurance companies and savings banks, however, most of the decline took place in 1946 and 1947, rather than in 1948. A large part of these holdings are in long-term bank-restricted bonds. It is interesting to note that the holdings of these associations are still in excess of \$1 billion, as compared to holdings of only about \$50 million before the war.

During 1946, corporations other than banks and insurance companies liquidated about \$6 billion of Federal securities in order to facilitate their early postwar expansion, as is shown in the chart on page 15 [of the booklet]. Since the end of 1946 there has been little change in the holdings of Government securities by these corporations. Corporate holdings of currency and bank deposits show an unusually stable level throughout the last three years. At the same time other current assets of corporations, principally inventories and receivables, have shown a significant increase.

Holdings of Federal securities by individuals are now at an all-time high of \$68 billion. The fact that individuals' holdings have actually increased since the end of the war, as shown in the chart on page 16 [of the booklet], represents a trend that most of us would have guessed incorrectly three years ago. Savings bonds alone account for two-thirds of individual holdings of Federal securities. The savings bond picture is most encouraging. More than \$32 billion of E bonds alone are outstanding—an amount you will be interested to know is more than \$1 billion higher than at the end of our last wartime drive.

Savings accounts have also increased during the last three years. Currency and checking accounts, after early postwar increases, have recently shown some slight decline.

Our debt management activities since the end of the war have been directed toward the objective of increasing nonbank holdings of the public debt. We were able to pay off part of the debt, as you know; partly from cash balances available at the end of the war and partly from the budget surplus during the past two fiscal years. In managing these debt pay-offs, we have been successful in concentrating them entirely on the bank-held portion of the debt, as shown in the chart on page 17 [of the booklet].

The debt has declined from a peak of \$280 billion, on February 28, 1946, to a current level of \$253 billion. This is a decline of \$27 billion. At the same time there has been a decline of \$31 billion in holdings of Federal securities by the banking system—a decline greater than the reduction in the total debt.

The reduction in the bank-held debt for the period up through December 31, 1948, is attributable entirely to a reduction in the holdings of Government securities by the commercial banks of the country. Holdings by the Federal Reserve Banks were, on net balance, practically unchanged between February 1946, the peak of the debt, and December 31, 1948. Since December 31, 1948, Federal Reserve holdings of Government securities have declined.

The Government's debt management policy since the end of the war, it is obvious, has not resulted in an expansion of Federal Reserve holdings of Government securities. All purchases of long-term bonds have been more than offset by the liquidation of short-term issues.

As bank-held debt declined in the period since the end of the war, nonbank holdings expanded in the aggregate, notwithstanding the sale of some Government securities by some of the investor classes. Government security holdings by individuals increased. This was also true of fire, casualty, and marine insurance companies, and of the trust and investment funds of State and local governments. Another important reason why nonbank ownership has increased has been the

continued investment of the savings of individuals accumulating in Federal Government social insurance funds.

The bar at the right-hand side of the chart on page 17 [of the booklet] sets forth my estimate of where the public debt will stand at the end of the calendar year 1949. The level is the same as it was on December 31, 1948, and is arrived at on the basis of the budget, which forecasts a deficit for the fiscal year 1949 and another deficit for the fiscal year 1950. The main thing wrong with that bar, as shown in the chart, is that it is too high. It should be lower, and the only way that it could be lowered is for the Government to achieve a surplus of receipts over expenditures during this calendar year. The President has stated that new taxes will be needed, and must be enacted if the surplus is to be achieved. I strongly urge this course of action.

Exhibit 25.—Address by Secretary of the Treasury Snyder before the Executives' Club of Chicago, Chicago, Ill., April 8, 1949, on current business developments

In peacetime as well as in war, the United States must act to keep our defenses strong. We must be strong on all fronts. We must have the power behind us to maintain and strengthen our confidence in the future, in the security of our jobs, and in the soundness of our country's whole economic and financial structure.

I believe that we are moving ahead on all of these fronts. And I believe we will continue to progress, step by step, if we continue to be guided by American tradition and by American experience.

Our country has seen vast changes in the past fifty years. We have passed from a predominantly rural and small-town economy to a highly complex urban and industrial civilization. We have lived through two great wars.

These happenings have brought with them many new problems and new strains. Each one has been a challenge to our energy, our determination, and to our purpose. We have moved cautiously to solve each problem. But we have maintained an unswerving confidence in our ability as American citizens to lead our country forward with ever-increasing social and material health.

This confidence in the future is a most important asset. But it cannot be taken for granted. We must not allow our coming of age as a nation to bring with it a tired refusal to meet the challenge of our growth and progress.

There is evidence that we are entering today on a new period of reappraisal in our domestic economy. If we are worthy of our traditions—so splendidly portrayed in the history of your own city—we will look on this period as one of unprecedented opportunity. We will find in it an opportunity to build the foundations of our prosperity stronger and deeper than has ever been possible before.

We have had, up to now, little time for appraisal. Our productive machinery was converted, almost overnight, to meet the vast requirements of war. Almost as quickly, we turned to peace, and to the need of satisfaction of the pent-up demand for civilian products which had backlogged during the war.

Now, the urgent replacement demand has slackened. The scramble for things is over. American business has invested more than \$75 billion in new plant and equipment since the end of the war to maintain and expand production of goods—an annual rate of investment approximately twice the peak of any former year. Since VJ-day, Americans have bought 12 million new cars and trucks, 28 million new refrigerators, vacuum cleaners, and washing machines, and something like 50 million new radios and television sets. Now that these and other accumulated demands are more nearly satisfied, our economy is becoming readjusted to normal buyers' markets and competitive conditions. I need hardly remind you that our traditional type of American enterprise flourishes best in a competitive environment. We know how to achieve when we have to work at selling.

Moreover, we are starting off this time from a position of financial and economic strength unexampled in our history. Liquid assets of individuals are at the highest figure on record, totaling over \$200 billion. Net working capital of corporations has been steadily increasing since 1939, and now stands at a record level of about \$65 billion. Employment and incomes, and corporation profits are, likewise, at or around record levels. Our position has not been undermined, as it has been at various times in the past, by speculative operations in real estate or on the stock and commodity exchanges.

Above all, the financial soundness of the United States Government—which is today the fulcrum of world stability and world peace—is beyond question. The Treasury's major objective has been to maintain that soundness through

fiscal policies and debt management operations designed to promote confidence in the Government's credit and in the financial stability of the country. And I believe that the steps taken toward maintaining that confidence have contributed to the maintenance of our present unparalleled economic position.

A sound fiscal policy must, of course, be based on a revenue system that will meet the cost of prescribed Government functions and provide for reducing the Government debt. Since February 28, 1946, when the Federal debt reached the peak of \$280 billion, there has been a decline of over \$28 billion in the outstanding obligations of the Federal Government. Moreover, there has been an even greater decline—\$32 billion—in holdings of Federal securities by the banking system. This reduction in the bank-held debt has been one of the objectives of postwar debt management and has been brought about, in part, by vigorous promotion of sales of savings bonds and other securities to individuals during the postwar period. I believe that we can all take pride in the fact that holdings of savings bonds by individuals are actually at a higher level today than they were at the end of the war, when it was predicted that they would be widely redeemed as soon as goods in short supply were once more available. You will be interested to know that individuals now hold over \$47½ billion of savings bonds, almost \$5 billion more than they held at the end of December 1945.

A second major objective of Treasury fiscal policy in the interest of financial confidence has been the maintenance of stability in the Government bond market. With a national debt today of \$252 billion, the maintenance of stable conditions in the market for Government obligations is essential.

The Treasury bond stabilization program, carried out during the past several years in cooperation with the Federal Reserve, has restrained undue advances and undue declines in prices of Treasury bonds. It has given an important element of strength and stability to bond prices generally, and to our entire financial structure.

If we had not taken measures to maintain confidence in the stability of the bond market—if, for example, the market for Government obligations had experienced the gyrations which followed the First World War—there would undoubtedly have been an impairment of confidence in our financial situation which would have had serious consequences, not only in this country, but throughout the world.

Our position of world leadership has brought with it serious new responsibilities. We must follow a firm course in maintaining our strength, and in maintaining, unimpaired, the confidence now felt throughout the world in the credit of the United States Government.

All in all, our experience since the war has been evidence of a remarkable basic confidence throughout this Nation. Now, when readjustments to a more normal peacetime economy are taking place, we have no reason to be apprehensive, in view of the factors in the present situation which give assurance of a continued prosperity.

The readjustments which are now taking place are both helpful and healthy. We must remember that for the last three years it has been our aim and goal to halt inflation and to adjust prices. We have had periodic first-of-the-year adjustments in 1946, in 1947, and again in 1948. Now, we are experiencing some additional ones. Each of these readjustments has tended to cause us to stop, look, and listen. Each one has reminded us of the necessity for caution, for taking stock of the situation, in order that we may make sure that we are pursuing the course best adapted to promote an orderly progress toward the stabilization of our economy on a high-production, high-employment level.

When we do pause and try to get a little perspective on our present position, it is reassuring to discover how greatly the opportunities of the future loom up. I mentioned earlier the great changes which have occurred in our economy during the past fifty years. It is enlightening, when we try to assess our present situation, to remind ourselves that a half century ago the most forward-looking citizens of this country would not have dreamed of the changes which have already taken place. Fifty years ago, the illuminating gas companies, the carriage factories, the interurban lines, were thriving industries, seemingly here to stay. Who would have taken too seriously the flight of a plane heavier than air, the first experiments with moving pictures, the demonstrations of the earliest automobiles?

The development of electricity, alone, should give us pause. Fifty years ago, the gas mantle was a new invention. Electric lights were a rarity; experiments which later led to the tungsten lamp were still going on. No one could have

foreseen, for example, our great aluminum industry, depending at every stage on electric power.

Fifty years ago, we may also recall, an American farmer produced only enough to supply eight persons. Now, one farmer supplies 15 people with a year-round array of farm products beyond the reach of a millionaire a half century ago. The reason is, in part, that as late as 1910 one-fourth of farm acreage was devoted to the production of feed for 28 million horses and mules. With the coming of the tractor, most of this acreage—and the labor that was applied to it—has been freed for the fulfillment of human requirements.

Undoubtedly there will be even greater changes during the half century ahead of us. Atomic energy, alone, may transform our lives. And if we set our sights firmly on the opportunities opening up before us, I believe that we will not be deterred long, or often, by the difficulties of charting our economic course.

Unfortunately there are some today who apparently have little faith in the Nation's ability to maintain prosperous levels of employment and incomes. But the United States has been built up through its long history by confidence and vision. There have always been a few who took a gloomy view of the future, and distrusted the Nation's ability to surmount the obstacles that lay ahead. However, the main trend of our national progress has been fashioned by those who saw beyond the temporary obstacles.

The factors today supporting a continued high level of business remain unusually strong. The satisfying of accumulated consumer demands has not caused a drawing down of individuals' savings. On the contrary, liquid assets of individuals, as I have said, are at the highest levels on record, and the recent expansion of plant and equipment by corporations has not brought a reduction in working capital.

With the return to normal buyers' markets, I believe that we may look forward to one of the greatest periods of business development in our history. In the few years that have elapsed since the war, we have made only a limited start toward developing new products based on the wartime discoveries in new materials, new manufacturing techniques, and new types of equipment. Our factories have been so occupied in supplying the quickest available goods to fill accumulated demands that the introduction of many new products has had to be postponed.

Our new economy is beginning to get under way. Factories have gone through an extensive remodelling and expansion program in preparation for turning out new and improved products. We have made a start in television, but even there the mass production stage has not yet been reached, and the widespread application of television to industrial and commercial uses is still in the future.

In the field of metallurgy, the use of light metals and their alloys, with new techniques in handling, is growing in importance.

New developments in home construction, in methods of heating, and in major household appliances have opened new fields of consumer demand.

Farmers are offered new chemicals for control of weeds, insects, and plant diseases, and we are continually developing more efficient types of farm implements. These have reduced farm production costs, and have lightened the farmers' work load.

Atomic energy offers the prospect of revolutionary changes in our economic life within the relatively few years. Our national atomic energy program is being pushed with greatest vigor. Today nearly 70,000 people are employed in the atomic energy program. Last year, when the full program of long-range development got under way, \$525 million was spent by the Government on this program, and by 1950 the expenditures are expected to reach \$725 million. The advances in industry, in medicine and biology, and in chemical and physical research which will be made possible through this program, will justify our referring to this new era as the Atomic Age.

We might also call it the Plastics Age, or the Age of Synthetic Materials, so great has been the advance in new types of plastics, and of many types of synthetics which are just coming into use. They are made into laminated products and in sheets, rods, and molded products. They are used in home construction, and in the automobile, furniture, and household appliance industries, for adhesives and for food packaging. The development of new types of synthetic rubber for special purposes offers new possibilities to an older industry.

These new developments mark the beginning of a new era of research and discovery initiated by the concentrated effort of our scientists during the war years, particularly in electronics and chemistry. Each new scientific discovery opens a new field, and provides the basis for further discoveries.

In speaking of the country as a whole, it is fair to say that we have made only a start on major long-term projects. We have just begun to extend and modernize the Nation's highway system under a master program agreed upon by Federal, State, and local governments. On the basis of a continuing traffic survey, plans have been made for express highway systems to channel congested traffic through large cities, and for rebuilding worn-out rural roads to meet modern traffic needs. About 1,500 miles of the new 40,000 mile National Interstate Highway System have so far been completed.

The long-deferred needs of towns and cities for new sewage and water systems, for public utility services, for schools and hospitals have just begun to be met. Other municipal facilities to take care of the great shifts of population to new areas during the war years must also be provided. In that connection, it is important to remember the 17 million people who have been added to our population in the decade since the war began.

To reap the greatest benefit from the opportunities that lie ahead, two precautions are necessary: First, we must continue on the alert to maintain our economic security—to guard against undue credit expansion, speculative buying, or other excesses that might precipitate a business recession. Secondly, we must provide complete opportunity for the Nation's economy to develop. This means that we must make full use of our resources, and we must prevent bottlenecks at any stage in production or distribution.

Looking toward the future—and I include the nearby future—we have every reason to be confident. Our economy has the basic strength to meet the current readjustment to normal peacetime markets. The discoveries and industrial developments of recent years provide a springboard for a new era of progress.

With this outlook before us, we may well expect that the years ahead will offer fully as great opportunities as the years just past; and if we heed the lessons of the past, they should offer much greater economic security.

Exhibit 26.—Address by Secretary of the Treasury Snyder before the annual conference of the National Association of Mutual Savings Banks, Washington, D. C., May 12, 1949, on public debt management in promoting a stable economy

This annual conference of the National Association of Mutual Savings Banks is the first to be held in Washington since 1931. The eighteen years that have elapsed since your last meeting here are years in which broad and far-reaching social and economic changes have taken place in our country.

In 1931, the economic outlook was dark. And we know now that the natural forces of recovery were helpless to operate in the environment which had been created by the speculative excesses of the boom period. It is startling to recall today that the interest rate on call money went as high as 20 percent in the stock market in 1929; and that brokers' loans during that year reached a figure of over 8½ billion dollars. Today, the comparable figure is less than ½ billion dollars. Even more incredible, in our present-day view, is the fact that such a small portion of the brokers' loans came from banks. At the height of stock market speculation in 1929, some three-fourths of it was attributable to other lenders—individuals, business corporations, trading companies, and investment trusts.

The shaky foundations of the speculative structure of 1929 were soon revealed. Looking back, we can see that speculation was more decisive than any other single factor in impairing the economic health of the Nation.

Today, in contrast, our position is exceptionally strong; and we can look to the future with the confidence of experience in our ability to maintain that strength. Speculation has been virtually absent during our years of postwar prosperity.

Each of the recessions in our business history has been featured by heavy liquidation of speculative accounts; and the absence of this feature today is, to my mind, the most striking element of contrast with previous periods.

A second factor today, which is in almost equally sharp contrast to the past, is the gradual process of the postwar adjustments to normal competitive conditions. Business recessions in the past were largely unforeseen. They owed their severity to a simultaneous readjustment of many phases of the economy.

But the situation is different now.

Adjustments to a more normal competitive economy have actually been going on since the very close of the war. Many have been practically completed. Some luxury industries were affected in 1946. Machine tools, auto tires, radios, and others followed in 1947. Textiles, shoes, auto trucks, furniture, household

equipment, and various other industries started their adjustment in the spring and summer of 1948. Others, such as rayon and crude petroleum, have more recently fallen into line.

The factors which I have just cited—the absence of speculation and the gradual readjustments which have taken place in the economy—are only two of the many elements of strength in our present situation.

It is extremely reassuring to note that consumer buying, for example, is being supported by continuing high income levels and by a backlog of savings which has reached an all-time high. Personal incomes in March of this year—the latest figure available—were at an annual rate of \$214 billion, a little below the all-time peak of last December, but well above the level of a year ago. Liquid assets of individuals—which is just another name for stored-up purchasing power—amount to \$200 billion at the present time.

I could cite more statistics. But all point in one direction: There are powerful factors in our present situation making for stability and progress on a high-income, high-employment level.

And there are evidences other than statistics.

We are only at the beginning of our peacetime growth. We have made a start only toward developing new products based on the wartime discoveries in new materials, new manufacturing techniques, and new types of equipment.

One wartime development alone—atomic energy—could revolutionize our economic life within a relatively few years. The use of light metals and their alloys is growing in importance. The field of synthetics affords unlimited possibilities for new products. Developments in home construction and home equipment offer tremendous opportunities for new consumer markets. More efficient farm machinery is being developed constantly and new fertilizers and chemicals for farm use are coming on the market.

Up to now, our factories have been so busy supplying the goods which could be most quickly produced, in order to fill accumulated demands, that they have not had an opportunity to re-gear their machinery to the manufacture of new products. With the return to normal buyers' markets, our producers are beginning to use the new processes available to them. The opportunities are enormous. The discoveries and industrial developments of recent years provide a springboard for a new era of progress.

When I spoke to you at Atlantic City last year, I reviewed our public debt management operations during the postwar period to show you how our fiscal and monetary policies were directed toward achieving stability in the economy.

Our debt management operations in the past year have been a continuation of our program of maintaining confidence in the credit of the United States by promoting stable financial conditions and a stable economy.

It has been our aim to keep our policies flexible so as to be in a position to deal rapidly with changes in the financial picture. The desirability of such flexibility has been forcibly demonstrated in the year that has elapsed since your last annual conference. During the early part of the last half of 1948 there were large market sales of Government securities. In this situation we moved to prevent the prices of Government securities from falling sharply by open-market purchases. The situation has been reversed. Since the beginning of the year, Government securities have been sold by the Federal Reserve in order to keep Government bond prices from going up too sharply.

The need of flexibility is important in public finance, as it is in private finance. The fiscal problems of the Nation have changed greatly from period to period, as have the problems of private enterprise. The fiscal tools of one period have generally proved unsuited to a subsequent period.

I have just said that our most important objective during the postwar period has been to maintain confidence in the credit of the United States. One hundred and fifty years ago the main financial problem of the newly born Nation was to establish that credit. The history of savings banks is almost as long as that of the Nation—the first savings bank was established in 1816—and in many respects, the problems of your institutions have paralleled the fiscal problems of your country. You were attempting to build up confidence in your newly founded institutions at nearly the same time that the Nation faced the same problem.

We have been able in our recent debt operations to keep our policies flexible because the structure of the debt has been adaptable to flexibility. This is not accidental. To a large extent it is the result of forethought—the result of planning Government issues to meet the present and future needs of the various investor classes.

The existence of a large volume of short-term debt, with the necessity of refunding some \$50 billion of maturing Government securities each year, has been one of the debt management problems faced by the Treasury since the end of the war. But the very existence of a large volume of issues maturing each year has made possible a flexible debt policy. During the two years in which we had Federal budget surpluses, we were able to select for retirement those portions of maturing debt, the retirement of which would make the maximum contribution in stabilizing the economy. During the past year, although we have not had a budget surplus, we have nonetheless been able to retire portions of maturing marketable issues from the proceeds of the sale of nonmarketable debt issues.

Due to the change in the budget picture this past year, we have not been able to continue the debt reduction program that I outlined to you at your last annual meeting. The total amount of debt outstanding has been reduced by only \$750 million since last year. During this period, however, we have continued to widen the distribution of the public debt. There has been an increase of over \$2 billion in the amount of Government securities held by nonbank investors.

One of the principal sources of funds for effecting the switch of Government securities from bank to nonbank investors has been an increase of about \$1½ billion in the amount of Government securities held by individuals. Most of this increase has been in holdings of savings bonds, and we have had to do a selling job to achieve this success.

When I spoke to you last year I asked your cooperation in the Security Loan Drive—a savings bond selling effort which we were undertaking at that time. Now, I should like to ask for your continued cooperation in the Savings Bonds Opportunity Drive which will start next Monday. Our savings bond program is important to the successful continuation of our public debt management program. It is an important tool which we have for use in maintaining a flexible debt policy.

But our savings bond campaigns not only sell savings bonds, they sell something else which is of direct and important significance to you. That is the habit of thrift. Our savings bond program, year after year, has been carrying on the most extensive campaign for savings that has ever been known. Savings bond advertising reaches into every city and village. It searches out remote farms. It goes into homes and factories. It is in the newspapers and magazines, on the radio, and on television.

You must have been struck, as I have been, by the interesting and persuasive angles which have been used to present the case for savings. Regular savings have been urged to provide for the future. That is the theme of all the advertisements, and the carefully chosen keynote of the advertising campaigns. And, all of the advertising is freely contributed.

Our advertising complements, rather than detracts from, the promotional campaigns which savings banks and other financial institutions carry on. Your group recently released a film short "as part of a program to improve public understanding of the function of a savings bank in its community" which is entitled, "A" for "Achievement". I believe that our savings bond program rates an "A" for "Achievement" in promoting thrift.

As I told you last year, it does not seem to me that we are selling savings bonds at the expense of other savings institutions. I believe that the Treasury's continued campaign during the years since the end of the war has brought far greater gains in all major categories of individual savings than would otherwise have been realized. Sales of savings bonds have been much better than we had reason to expect after the war ended.

But other types of savings have done even better.

Let us look at the figures for other types of liquid assets held by individuals. In 1948, it is estimated that total holdings of liquid assets held by individuals rose by approximately \$1 billion, and at the end of the year stood at an all-time high.

When we look into the actual savings operations which went to make up this total, and carry the figures back over the three-year period following the end of the war, some interesting developments become apparent.

Holdings of Government securities by individuals rose nearly 4½ percent. But individuals increased their share holdings in savings and loan associations by about 48 percent, the largest gain of any type of savings. Their deposits in mutual savings banks increased 20 percent. Savings accounts in commercial banks were up 18 percent. Postal savings accounts showed an increase of nearly 14 percent. Checking accounts of individuals gained 11 percent. Of the various

forms of liquid assets, only currency holdings in the hands of individuals fell off.

The savings record which I have been citing is one which I know is familiar to all of you here. In my belief, however, its significance can hardly be overemphasized.

Americans are saving for the future. They have confidence in what the future will bring—for themselves, and for their children. The mutual savings banks, with more than 19 million depositors, have been a powerful factor in molding the thrift habits of the Nation. The savings drives of the war years, as well as those since, have benefited immeasurably from the backlog of good will which has come from your long history as a trusted guardian of the people's savings.

In closing, I should like to thank you, in particular, for the constructive assistance which you have given the Government at all times during the eighteen years since your conference last assembled here in Washington. I have welcomed your interest in fiscal affairs since I came to the Treasury and have found your advice of inestimable value. Your record during these years is ample evidence that you will continue to be a bulwark of financial strength in the Nation now and in the generations ahead.

ORGANIZATION AND PROCEDURE

Exhibit 27.—Treasury Department orders relating to organization and procedure

No. 100, JULY 16, 1948, TENTATIVE ASSIGNMENT OF BUREAUS, ETC., TO THE SUPERVISION OF UNDER SECRETARY FOLEY

Effective immediately Mr. Edward H. Foley, Jr., Under Secretary of the Treasury, will tentatively continue to supervise the following bureaus, offices, and divisions of the Treasury Department which were previously assigned to him as Assistant Secretary:

1. United States Coast Guard
2. United States Secret Service
3. Bureau of Federal Supply
4. Bureau of the Mint
5. Bureau of Engraving and Printing
6. Bureau of Narcotics
7. Chief Coordinator, Treasury Enforcement Agencies
8. Comptroller of the Currency
9. Committee on Practice

Department Circular No. 244, Revised, dated February 16, 1948, is hereby amended accordingly, and all previous orders regarding the assignment of these bureaus, offices, and divisions are superseded by this order.

JOHN W. SNYDER,
Secretary of the Treasury.

No. 101, JULY 16, 1948, TENTATIVE ASSIGNMENT OF BUREAUS, ETC., TO THE SUPERVISION OF ASSISTANT SECRETARY GRAHAM

Effective immediately the following bureaus, office, and divisions of the Treasury Department are tentatively assigned to the supervision of Mr. John S. Graham, Assistant Secretary of the Treasury:

1. Bureau of Customs
2. Office of the Technical Staff ¹
3. Division of Tax Research ²
4. United States Savings Bonds Division

Department Circular No. 244, Revised, dated February 16, 1948, is hereby amended accordingly, and all previous orders regarding the assignment of these bureaus, office, and divisions are superseded by this order.

JOHN W. SNYDER,
Secretary of the Treasury.

¹ Amended, see Order No. 105.

² Amended, see Order No. 115.

NO. 102, JULY 29, 1948, DESIGNATION OF THE FAIR EMPLOYMENT OFFICER

1. In compliance with the requirements of Executive Order 9980, dated July 26, 1948, James H. Hard, Director of Personnel, is hereby designated Fair Employment Officer.

2. A copy of Executive Order 9980 is attached.

JOHN W. SNYDER,
Secretary of the Treasury.

* * * * *

EXECUTIVE ORDER 9980, REGULATIONS GOVERNING FAIR EMPLOYMENT PRACTICES
WITHIN THE FEDERAL ESTABLISHMENT

WHEREAS the principles on which our Government is based require a policy of fair employment throughout the Federal establishment, without discrimination because of race, color, religion, or national origin; and

WHEREAS it is desirable and in the public interest that all steps be taken necessary to insure that this long-established policy shall be more effectively carried out:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States, by the Constitution and the laws of the United States, it is hereby ordered as follows:

1. All personnel actions taken by Federal appointing officers shall be based solely on merit and fitness; and such officers are authorized and directed to take appropriate steps to insure that in all such actions there shall be no discrimination because of race, color, religion, or national origin.

2. The head of each department in the executive branch of the Government shall be personally responsible for an effective program to insure that fair employment policies are fully observed in all personnel actions within his department.

3. The head of each department shall designate an official thereof as Fair Employment Officer. Such Officer shall be given full operating responsibility, under the immediate supervision of the department head, for carrying out the fair employment policy herein stated. Notice of the appointment of such Officer shall be given to all officers and employees of the department. The Fair Employment Officer shall, among other things—

(a) Appraise the personnel actions of the department at regular intervals to determine their conformity to the fair employment policy expressed in this order.

(b) Receive complaints or appeals concerning personnel actions taken in the department on grounds of alleged discrimination because of race, color, religion, or national origin.

(c) Appoint such central or regional deputies, committees, or hearing boards, from among the officers or employees of the department, as he may find necessary or desirable on a temporary or permanent basis to investigate, or to receive, complaints of discrimination.

(d) Take necessary corrective or disciplinary action, in consultation with, or on the basis of delegated authority from, the head of the department.

4. The findings or action of the Fair Employment Officer shall be subject to direct appeal to the head of the department. The decision of the head of the department on such appeal shall be subject to appeal to the Fair Employment Board of the Civil Service Commission, hereinafter provided for.

5. There shall be established in the Civil Service Commission a Fair Employment Board (hereinafter referred to as the Board) of not less than seven persons, the members of which shall be officers or employees of the Commission. The Board shall—

(a) Have authority to review decisions made by the head of any department which are appealed pursuant to the provisions of this order, or referred to the Board by the head of the department for advice, and to make recommendations to such head. In any instance in which the recommendation of the Board is not promptly and fully carried out the case shall be reported by the Board to the President, for such action as he finds necessary.

(b) Make rules and regulations, in consultation with the Civil Service Commission, deemed necessary to carry out the Board's duties and responsibilities under this order.

- (c) Advise all departments on problems and policies relating to fair employment.
- (d) Disseminate information pertinent to fair employment programs.
- (e) Coordinate the fair employment policies and procedures of the several departments.

(f) Make reports and submit recommendations to the Civil Service Commission for transmittal to the President from time to time, as may be necessary to the maintenance of the fair employment program.

6. All departments are directed to furnish to the Board all information needed for the review of personnel actions or for the compilation of reports.

7. The term "department" as used herein shall refer to all departments and agencies of the executive branch of the Government, including the Civil Service Commission. The term "personnel action," as used herein, shall include failure to act. Persons failing of appointment who allege a grievance relating to discrimination shall be entitled to the remedies herein provided.

8. The means of relief provided by this order shall be supplemental to those provided by existing statutes, Executive orders, and regulations. The Civil Service Commission shall have authority, in consultation with the Board, to make such additional regulations, and to amend existing regulations, in such manner as may be found necessary or desirable to carry out the purposes of this order.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 26, 1948.*

NO. 103, AUGUST 13, 1948, APPOINTMENT OF SPECIAL ASSISTANT TO THE SECRETARY AND TENTATIVE ASSIGNMENT OF OFFICE OF INTERNATIONAL FINANCE TO HIS SUPERVISION

1. Mr. Frank A. Southard, Jr., is hereby appointed a Special Assistant to the Secretary. In this capacity, reporting directly to the Secretary, Mr. Southard shall perform such functions and duties as may be assigned from time to time, and, in addition, temporarily shall supervise the Office of International Finance.

2. This order temporarily amends paragraph 1 of Treasury Department Order No. 86, dated July 10, 1947, and paragraph 2 of Treasury Department Circular No. 244, Revised, dated February 16, 1948, to provide that the Director, Office of International Finance, shall report to a Special Assistant to the Secretary¹ rather than directly to the Secretary of the Treasury. Paragraph 1 of Treasury Department Circular No. 244, Revised, is also temporarily amended to provide that a Special Assistant to the Secretary shall supervise the Office of International Finance.

3. The provisions of this order shall be effective August 16, 1948.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 104, AUGUST 18, 1948, DELEGATION OF AUTHORITY TO AUTHORIZE THE PUBLICATION OF ADVERTISEMENTS, NOTICES, OR PROPOSALS INCIDENT TO THE SALE OF GOVERNMENT-OWNED PROPERTY

Pursuant to section 12 of Public Law 600, 79th Congress, which provides in part that "the head of any department may delegate to subordinate officials * * * the authority vested in him by section 3828 Revised Statutes (44 U. S. C. 324), to authorize the publication of advertisements, notices or proposals," the Commissioner of Internal Revenue, the Deputy Commissioners of Intelligence and Alcohol Tax Units and District Supervisors and Investigators in Charge of the Alcohol Tax Unit are hereby delegated authority, pursuant to the above-mentioned act, to authorize the publication of advertisements, notices or proposals incident to the sale of Government-owned property.

JOHN W. SNYDER,
Secretary of the Treasury.

¹ Revoked, see Order No. 109.

NO. 105, SEPTEMBER 14, 1948, DIRECTOR OF THE TECHNICAL STAFF
TO REPORT DIRECTLY TO THE SECRETARY OF THE TREASURY

Effective immediately the Director of the Technical Staff, who has supervision of the Office of the Technical Staff, shall report directly to the Secretary of the Treasury.

Department Circular No. 244, Revised, dated February 16, 1948, and Treasury Department Order No. 101, dated July 16, 1948, are hereby amended accordingly, and all previous orders regarding this assignment are superseded by this order.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 106, OCTOBER 22, 1948, DELEGATION OF AUTHORITY IN RESPECT
TO CONTRACTS AWARDED BY THE BUREAU OF FEDERAL SUPPLY
INVOLVING EMERGENCY PURCHASES OF WAR MATERIALS
ABROAD

By virtue of the authority conferred on me by section 3 of Executive Order 9177, dated May 30, 1942, I hereby authorize the Director, Bureau of Federal Supply, and the Assistant Director, Strategic and Critical Materials, Bureau of Federal Supply, and each of them, in respect to contracts awarded or to be awarded by the Bureau of Federal Supply involving emergency purchases of war materials abroad, to exercise the authority conferred on me by such Executive order, including the authority to execute the certificate required by section 2 of said Executive order.

The authority herein conferred, in the discretion and by the direction of the Director, Bureau of Federal Supply, may be exercised also by and through any other officer of the Bureau of Federal Supply who may be designated by him for such purposes.

Treasury Department order of October 26, 1942, delegating authority under Executive Order 9177 to officials of the Procurement Division is hereby revoked.

E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

NO. 107, DECEMBER 30, 1948, AUTHORIZING CERTAIN OFFICERS
TO AFFIX THE SEAL OF THE TREASURY DEPARTMENT TO
DOCUMENTS, ETC.

By virtue of the authority vested in me as Secretary of the Treasury, including that authority conferred by section 161 of the Revised Statutes, it is hereby ordered:

1. The following officers are authorized to affix the Seal of the Treasury Department in the authentication of originals and copies of books, records, papers, writings, and documents of the Department, for, among others, the purposes authorized by 28 U. S. C. 1733 (b):

(a) In the Office of Administrative Services:

(1) Director of Administrative Services.

(2) Chief, Division of Office Services.

(3) Records Administration Officer, Division of Office Services.

(b) In the Bureau of Internal Revenue:

(1) Commissioner of Internal Revenue.

(2) Deputy Commissioner, and Assistant Deputy Commissioner, Income Tax Unit.

(3) Head, and Assistant Head, Records Division, Income Tax Unit.

(4) Chief, Returns Inspection and Withholding Returns Section, Records Division, Income Tax Unit.

2. Procurement of a second die of the Treasury Seal, in addition to the die already in the possession of the Treasury Department, is hereby authorized, and custody of the respective dies is hereby vested in the Director of Administrative Services and the Commissioner of Internal Revenue.

3. Treasury Department Order No. 96, dated January 29, 1948, is hereby superseded and revoked, effective as of the date of this order.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 108, FEBRUARY 2, 1949, DELEGATION OF AUTHORITY TO RECOMMEND APPROVAL OF EMPLOYEE APPLICATIONS FOR RETIREMENT

1. Pursuant to requirements of Public Law No. 879, 80th Congress, authority to recommend approval of applications for retirement is delegated as follows:

(a) To heads of bureaus, offices, and divisions for applications submitted by employees occupying positions within the scope of standards furnished to the Civil Service Commission.

(b) To the Director of Personnel for other applications.

2. Each recommendation will include the following statement: "The Secretary of the Treasury recommends approval of the retirement of this employee in accordance with the provisions of the act of July 2, 1948 (Public Law 879, 80th Cong.)."

3. The Director of Personnel will issue such instructions as may be necessary.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 109, FEBRUARY 8, 1949, ASSIGNMENT OF OFFICE OF INTERNATIONAL FINANCE TO THE SUPERVISION OF ASSISTANT SECRETARY MARTIN

1. It is hereby directed that among other duties, Mr. William McChesney Martin, Assistant Secretary of the Treasury, shall supervise the Office of International Finance.

2. This order amends Treasury Department Order No. 86, dated July 10, 1947, and Treasury Department Circular No. 244, Revised, dated February 16, 1948, to provide that the Director, Office of International Finance, shall report to an Assistant Secretary of the Treasury rather than directly to the Secretary of the Treasury. It also revokes Treasury Department Order No. 103, dated August 13, 1948, with reference to the supervision of the Office of International Finance by a Special Assistant to the Secretary.

3. This order shall be effective immediately.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 110, FEBRUARY 17, 1949, MODIFYING THE METHOD OF SEALING NEW PAPER CURRENCY PACKAGES TO BE SHIPPED BY REGISTERED MAIL

Treasury Department Order dated August 21, 1924, provided for the substitution of paper seals in place of wax seals on packages of new paper currency and other securities to be prepared for shipment by registered mail. As the result of this order, the Bureau of Engraving and Printing has followed the practice of applying five paper seals on each wrapped package of currency, two of the seals are on each end and one is placed over the fold in the center of the package.

It is hereby ordered that the method of sealing be modified and that hereafter only one paper seal be applied to each package of new currency. This seal shall be placed on the bottom of the package so as to overlap the fold in the wrapper. The cancellation of the seal by a rubber stamp with fugitive ink will be continued.

E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

NO. 111, FEBRUARY 17, 1949, DELEGATION OF AUTHORITY TO AWARD AND EXECUTE CONTRACTS, ETC., IN THE BUREAU OF FEDERAL SUPPLY

The following officers and employees of the Bureau of Federal Supply are hereby authorized to award and execute contracts and agreements necessary or appropriate to carry out the functions of the Bureau of Federal Supply:

Director.

Assistant Director, Operations.

Deputy Director, Purchase and Stores Branch.

Deputy Director, Strategic and Critical Materials Branch.¹

Special Assistant to the Deputy Director, Purchase and Stores Branch.

Managers, in foreign areas.

Mr. John L. Kirby, Attorney, Office of the Chief Counsel, Bureau of Federal Supply, is hereby authorized to act as Contracting Officer under Contract DA-Tps-17000 with E. B. Badger & Sons Co. Under this authority Mr. Kirby will perform all of the duties of Contracting Officer described in the contract and required for the final settlement thereof.

Subject to such limitations as may be prescribed by the Director, Bureau of Federal Supply, the following officers and employees of the Bureau of Federal Supply are hereby authorized to award and execute contracts and agreements necessary or appropriate to carry out the functions of the Bureau of Federal Supply:

Departmental Service:

Chief, Purchase Division.

Chiefs, Purchase Sections.

Assistant Chiefs, Purchase Sections.

Chiefs, Purchase Subsections.

Chief, Surplus Property Program.¹

Field Service:

Managers of Supply Centers.

Managers of Branch Supply Centers.

Chiefs, Purchase and Stores Divisions.

Assistant Chiefs, Purchase and Stores Divisions.

Chiefs, Purchase Divisions.

Assistant Chiefs, Purchase Divisions.

Chiefs, Purchase Sections.

Purchasing Officers.

This order is effective immediately. The order of the Secretary of the Treasury, dated March 8, 1946, delegating authority to award and execute such contracts and agreements, and all amendments thereto are hereby rescinded. Nothing contained herein shall affect orders of the Secretary of the Treasury relating to the so-called Royalty Adjustment Act, title II of the First War Powers Act, 1941, or the Renegotiation Act, as amended.

E. H. FOLEY, Jr.,

Acting Secretary of the Treasury.

NO. 112, MARCH 11, 1949, DELEGATION OF AUTHORITY TO AUTHORIZE THE PUBLICATION OF ADVERTISEMENTS, NOTICES, OR PROPOSALS INCIDENT TO THE FORFEITURE OR SALE OF GOVERNMENT-OWNED PROPERTY

Pursuant to section 12 of the act of August 2, 1946 (5 U. S. C. 22a), and confirming and supplementing article 4 of Narcotic Regulations No. 6 (26 CFR, 1939 Supp. 153.4), the Commissioner and Deputy Commissioner of Narcotics, and the District Supervisors of the Bureau of Narcotics, are hereby delegated authority, pursuant to the above mentioned act, to authorize the publication of advertisements, notices or proposals incident to the forfeiture or sale of Government-owned property.

E. H. FOLEY, Jr.,

Acting Secretary of the Treasury.

NO. 113, APRIL 22, 1949, APPOINTMENT OF THE DEPUTY DIRECTOR OF CONTRACT SETTLEMENT

Pursuant to Reorganization Plan No. 1 of 1947 and section 4 (d) of the Contract Settlement Act of 1944 (58 Stat. 651; 41 U. S. C. 104), I hereby appoint Philip Nichols, Jr., as Deputy Director of Contract Settlement, effective April 25, 1949.

Treasury Department Order No. 91 dated August 29, 1947, is hereby revoked.

JOHN W. SNYDER,

Secretary of the Treasury.

¹ As amended in Supplement 1, May 9, 1949.

NO. 114, JUNE 1, 1949, RESTATING THE OVER-ALL PROMOTION POLICY OF THE TREASURY DEPARTMENT AND REQUIRING EACH BUREAU, ETC., TO ISSUE ITS OWN STATEMENT OF POLICY IN LINE WITH THE OVER-ALL POLICY

1. *Purpose.*—The purpose of this order is to restate the over-all promotion policy of the Treasury Department and to establish the requirement that each bureau, office, and division issue its own statement of promotion policy in line with the provisions hereinafter stated.

2. *Policy.*—It is the policy of the Treasury Department normally to fill vacant positions above the customary recruiting levels in each bureau, office, and division by the promotion from within of qualified employees whose abilities have been demonstrated and who have the capacity to undertake more advanced work. Promotions will be based solely on merit. There will be no discrimination because of race, color, creed, or for any other reason. Preference will be given to seniority only when other qualifications are equal.

3. *Planning.*—The aims of Treasury promotion policy will be to provide for replacements with well-qualified persons and to progressively improve the competence of the organization. If these ends are to be achieved the problem of filling positions requires continuing study of the abilities of employees instead of consideration of a limited group when a vacancy is imminent or after it occurs. In many cases the vacancies will be due to prospective retirement. In such cases it shall be the responsibility of the supervisory official to train subordinate personnel to meet the needs of the position by the time the incumbent retires. Employees will be advanced through the ranks with this premise firmly in mind.

4. *Objectives.*—The major objectives of this promotion policy are to:

- (1) Fill each position with the person best qualified for the job.
- (2) Utilize to the fullest possible extent the experience, training, and capacities of Treasury employees.
- (3) Stimulate high standards of performance and employee development.
- (4) Encourage the development of a recognized career system with clear lines of promotion, thus making it possible to attract better qualified persons for entrance positions.
- (5) Increase employee morale and job satisfaction.

5. *Essential features.*—Promotion policy statements issued under this order should include:

(1) A requirement that standards for promotion be developed in terms of qualifications, efficiency ratings, examinations, training, and fitness for added responsibility. Emphasis should be given to an employee's adjudged capacity to successfully perform the duties of the higher grade position, as well as his past performance.

(2) A requirement that all eligible employees be considered for any promotion, including those occupying routine positions.

(3) Provision for the release of employees to accept promotional opportunities.

(4) An outline of the responsibilities of supervisors, personnel workers, and other employees whose opinions, judgment, and decisions affect the possibility of promotion.

(5) A requirement that supervisory officials review the practices of bureaus, offices, and divisions to see that promotion policy is being carried out.

6. *Recruitment and training.*—The successful adoption of this promotion-from-within policy will require the recruitment of persons at the normal recruiting levels who will ultimately be qualified for advancement to higher positions within each bureau, office, and division. The standards for recruitment must therefore be kept high. Adequate opportunities must be given employees to prepare them for positions of greater responsibility. Employees should be encouraged to avail themselves of opportunities to increase their potential ability through night school, home study, correspondence work, and in all other ways which may be open to the employee.

7. *Information.*—Statements issued pursuant to this order should be cleared with the Director of Personnel.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 115, JUNE 17, 1949, ESTABLISHING THE TAX ADVISORY STAFF
OF THE SECRETARY

By virtue of the authority vested in me as Secretary of the Treasury, including the authority conferred by section 161 of the Revised Statutes, it is hereby ordered:

- (1) The Division of Tax Research is hereby abolished.
- (2) There is established in the Office of the Secretary the Tax Advisory Staff of the Secretary.
- (3) The duties, functions and responsibilities of the Division of Tax Research are herewith transferred to the Tax Advisory Staff of the Secretary.
- (4) All personnel now employed in the Division of Tax Research are transferred to the newly organized Tax Advisory Staff of the Secretary.
- (5) Treasury Department Order No. 101, dated July 16, 1948, is hereby amended by deleting "3. Division of Tax Research" and by adding "3. Tax Advisory Staff of the Secretary."
- (6) This order becomes effective immediately.

JOHN W. SNYDER,
Secretary of the Treasury.

NO. 116, JUNE 16, 1949, PAYMENT OF INDEBTEDNESS BY EMPLOYEES

It shall be the policy of the Treasury Department to require employees to handle their just personal obligations in such a way that these obligations will not be brought to the attention of the Department. This includes indebtedness to the Federal, State, and local governments, as well as to private concerns and individuals.

Any violation of this policy shall subject the employee to disciplinary action and continued violation or persistent refusal to pay just debts shall subject the offender to dismissal.

It will be the responsibility of the Administrative Assistant to the Secretary to see that such detailed instructions as may be necessary are issued to effectuate the policy set forth herein.

E. H. FOLEY, JR.,
Acting Secretary of the Treasury.

Exhibit 28.—Organization of the Treasury Department: Office of the Secretary and bureaus, divisions, and offices performing chiefly staff and service functions

The statements with respect to the organization of the Office of the Secretary and bureaus, divisions, and offices performing chiefly staff and service functions are revised to read as follows:

Sec. 1. *Secretary of the Treasury.* (a) The Secretary of the Treasury, appointed by the President by and with the advice and consent of the Senate, is the head of the Department of the Treasury, which carries out the varied duties and responsibilities imposed upon him. The Department was established by the Act of September 2, 1789 (1 Stat. 65; 5 U. S. C. 241-242), which concluded a description of the duties of the Secretary by providing that he should "perform all such services relative to the finances, as he shall be directed to perform".

(b) The immediate staff of the Secretary includes the Under Secretary, two Assistant Secretaries, the Fiscal Assistant Secretary, the General Counsel, the Administrative Assistant to the Secretary, the Director of the Technical Staff, and a varying number of Assistants and Special Assistants to the Secretary.

(c) The Secretary of the Treasury serves as a member of various boards, committees, and other organizations. He is Chairman of the National Advisory Council on International Monetary and Financial Problems, which includes as its other members the Secretary of State, the Secretary of Commerce, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Board of Directors of the Export-Import Bank of Washington, and the Administrator for Economic Cooperation. The purpose of the Council is to coordinate the policies and operations of the representatives of the United States on the International Monetary Fund and the International Bank for Reconstruction and Development and of all agencies of the Government to the extent that they

make or participate in making foreign loans or engage in foreign financial, exchange or monetary transactions.

(d) The Secretary is the Managing Trustee of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, composed of the Secretaries of Treasury and of Labor and the Federal Security Administrator. This fund results from the extensive contributions and collections from which Social Security benefits are paid. The duties of the Managing Trustee include the investment in interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States of such portion of the fund as is not, in his judgment, required to meet current withdrawals; the sale at the market prices of any obligations acquired by the fund, except special obligations issued exclusively to the fund (which may be redeemed at par plus accrued interest); and the payment into the Treasury from the trust fund of amounts estimated to be adequate to reimburse for a 3-month period the expenditures incurred in connection with the administration of certain provisions of the Social Security Act. The annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, reporting the status of the Fund, is submitted to the Congress on the first day of each regular session.

(e) The Secretary of the Treasury is also United States Governor of the International Bank for Reconstruction and Development and of the International Monetary Fund; Chairman, Library of Congress Trust Fund Board; member, Advisory Board of the Export-Import Bank of Washington; National Security Resources Board; National Munitions Control Board; Foreign-Trade Zones Board; Joint Committee on Reduction of Non-essential Federal Expenditures; Executive Committee of the Federal-State Committee on Fiscal Policies of the Council of State Governments; Board of Trustees of the Postal Savings System; Smithsonian Institution; National Park Trust Fund Board; Foreign Service Buildings Commission; Board of Trustees of the National Gallery of Art; National Archives Council; and Trustee, Franklin D. Roosevelt Library. The Secretary is honorary Treasurer, and Chairman of the Board of Trustees of the Endowment Fund, of the American National Red Cross.

SEC. 2. *Under Secretary.* Except for the Secretary, the Under Secretary is the chief officer of the Treasury, and is the first officer of the Department to act as Secretary in case of the absence or sickness of the Secretary himself. By statute he is directed to perform such duties in the Office of the Secretary as may be prescribed by the Secretary or by law. There have been assigned to his supervision the United States Coast Guard, Bureau of the Mint, Bureau of Engraving and Printing, Bureau of Narcotics, Comptroller of the Currency, United States Secret Service, Chief Coordinator of Treasury Enforcement Agencies, and Committee on Practice. The Under Secretary is usually designated by the President as a member of the Board of Governors of the American National Red Cross and acts as its treasurer.

SEC. 3. *Assistant Secretaries.* (a) Two Assistant Secretaries are provided for the Department by statute, and they are required to perform such duties as may be prescribed by the Secretary or by law. They are authorized to act as Secretary of the Treasury in certain instances of absence or sickness of the Secretary and the Under Secretary.

(b) There is assigned to one Assistant Secretary the supervision of the Bureau of Customs, the Tax Advisory Staff of the Secretary, and the United States Savings Bonds Division. This Assistant Secretary also supervises certain administrative matters pertaining to the Bureau of Internal Revenue, although the Commissioner of Internal Revenue reports directly to the Secretary of the Treasury on various matters involving questions of policy.

(c) One Assistant Secretary, among other duties, supervises the Office of International Finance.

SEC. 4. *General Counsel.* (a) The General Counsel is by statute the chief law officer of the Department. He is directly responsible to the Secretary for the supervision and coordination of the work of the Legal Division, and performs such other duties as are assigned to him by the Secretary or required by law. The Legal Division is composed of the legal staff in the Office of the General Counsel, and the legal staffs in the Bureaus of Internal Revenue, Customs, Narcotics, and Public Debt, the Office of International Finance, Office of the Comptroller of the Currency, and the United States Coast Guard. The Office of the General Counsel performs the legal services required in connection with the work of other bureaus, divisions, and offices of the Department not having legal staffs. Included among these are the Office of the Secretary, Office of Administrative Serv-

ices, Office of the Treasurer of the United States, Bureau of Accounts, Bureau of the Mint, Bureau of Engraving and Printing, United States Secret Service, United States Savings Bonds Division, and Committee on Practice.

(b) The activities of the Legal Division embrace all legal questions arising in connection with the administration of the duties and functions of the various bureaus, divisions, and other branches of the Department.

(c) Subordinate to the General Counsel are six Assistants General Counsel, among whom is divided the supervision of all the legal work for the various bureaus, divisions, and offices of the Department. One of these, the Assistant General Counsel for the Bureau of Internal Revenue, has the operating title of "Chief Counsel" of that Bureau.

(d) In case of absence or sickness of the Secretary, the Under Secretary and the Assistant Secretaries, the General Counsel is authorized to act as Secretary of the Treasury.

(e) The General Counsel has supervision over the Tax Legislative Counsel and advises the Secretary on technical and legal aspects of tax policy and tax legislation. The Tax Legislative Counsel assists in the formulation of the Secretary's tax recommendations to the Congress and represents the Department before committees of Congress with respect to internal revenue legislation considered by them. The Office of the Tax Legislative Counsel assists in drafting tax legislation; prepares or reviews departmental reports to Congress on tax legislative matters; studies proposals for amending the tax laws; represents the Department in the negotiation of treaties involving taxation; advises the United States delegate to the United Nations Fiscal Commission regarding international tax problems; renders advice on the legal aspects of Federal-State tax relations; and reviews internal revenue regulations and rulings prepared by the Bureau of Internal Revenue and proposed closing agreements with taxpayers.

(f) In addition to tax legislative matters, the General Counsel is responsible for all other legislation of interest to the Department. This includes the drafting of legislation for the improvement of the administration of the Department and the preparation of reports to Congress on legislation affecting the Department.

Sec. 5. *Fiscal Assistant Secretary.* (a) The Fiscal Service, the head of which is the Fiscal Assistant Secretary, includes the Office of the Treasurer of the United States, the Bureau of Accounts, and the Bureau of the Public Debt.

(b) The Fiscal Assistant Secretary, under the direction of the Secretary, is responsible for the administration of financing operations; the supervision of the functions and activities of the bureaus and offices composing the Fiscal Service; and the supervision of the administration of the accounting functions and activities in the Treasury Department and all its bureaus and offices, the last-named function being exercised through the Commissioner of Accounts. He has general authority over matters relating to the Fiscal Service which are not required by law to be personally exercised by the Secretary (including the waiver in certain cases of relevant Treasury regulations), and performs such other duties as the Secretary directs.

(c) The Fiscal Assistant Secretary directs the performance of the fiscal agency functions of the Federal Reserve Banks; exercises supervision over the current cash position of the Treasury; prepares calls for the withdrawal of funds from special depositories to meet current expenditures; and directs the transfer of Government funds between Federal Reserve Banks.

(d) Under appointment by the President of the United States, confirmed by the Senate, the Fiscal Assistant Secretary serves as United States delegate to the Fiscal Commission of the Economic and Social Council of the United Nations.

(e) In case of the absence or sickness of the Fiscal Assistant Secretary, or a vacancy in that office, the Under Secretary will act as Fiscal Assistant Secretary. In case of the absence or sickness of both the Under Secretary and the Fiscal Assistant Secretary, or of vacancies in those offices, the senior Assistant Secretary present will act as Fiscal Assistant Secretary.

Sec. 6. *Assistants and Special Assistants to the Secretary.* There are in the Office of the Secretary a varying number of Assistants and Special Assistants to the Secretary who perform such functions and duties as may be assigned from time to time. One Assistant to the Secretary supervises all information and press matters in the Department. Another Assistant to the Secretary is National Director of the United States Savings Bonds Division.

Sec. 7. *Administrative Assistant to the Secretary.* (a) The Administrative Assistant to the Secretary exercises supervision over all administrative matters in the Department, including budgetary, organization and methods personnel

matters, and supervision of the Office of Budget, Office of Personnel, and Office of Administrative Services.

(b) *Office of Budget.* The Office of Budget, headed by the Budget Officer who is under the direction of the Administrative Assistant to the Secretary, is responsible for the presentation and justification of estimates of appropriations necessary for the Department's operations. The Budget Officer directs and coordinates the budgetary program and appears before the Bureau of the Budget and congressional appropriations committees on appropriation and related matters.

(c) *Office of Personnel.* (a) The Office of Personnel, headed by a Director who is under the direction of the Administrative Assistant to the Secretary, plans and supervises the personnel management program of the Department. This program, which is administered by the heads of bureaus, offices, and divisions, includes recruitment, appointment, training, transfers, promotions, separations, efficiency ratings, safety, health, discipline, grievances, working conditions, wage administration, and position classification. The Office represents the Department in its relations with employee organizations, the Civil Service Commission, the Council of Personnel Administration, and with other agencies dealing with personnel matters. The Director of Personnel also serves as Chairman of the Department Loyalty Board.

(d) *Office of Administrative Services.* The Office of Administrative Services, headed by a Director who reports to the Administrative Assistant to the Secretary, is composed of the following three Divisions:

(1) The Division of Treasury Space Control, which manages and coordinates the leasing, assignment, and utilization of space occupied by Treasury organizations in Washington and the field.

(2) The Division of Treasury Buildings, which maintains and operates certain Treasury buildings in the District of Columbia.

(3) The Division of Office Services, which operates central administrative services for the Department, including administration of funds for miscellaneous expenses and for several pay rolls, communications services, supply, duplicating, mail, motor messenger, and records administration.

SEC. 8. *Office of the Technical Staff.* (a) The Office of the Technical Staff is headed by a Director who reports directly to the Secretary of the Treasury.

(b) The Director of the Technical Staff has the responsibility of providing technical assistance on matters relating to Treasury financing, public debt management, and other Treasury matters, including the following:

(1) Developments in the outlook for the fiscal and budgetary position of the Treasury, and proposals concerning the size and character of Treasury borrowing operations, both cash and refundings.

(2) The impact of Treasury financing and public debt operations on the credit structure and general economy of the country, and the development of fiscal policy and debt management objectives suitable for current economic conditions.

(3) The investment position and needs of the various investor classes, their current holdings of Federal securities, and the types of securities suited to the needs of different types of investors.

(4) The terms of proposed securities to be offered in Treasury financings, and their probable effects upon the market price and ownership distribution of outstanding Government securities.

(5) The relationship of new securities to the Federal debt structure and interest costs thereon.

(6) The interest rate structure of the country, and current trends in the money markets and in the banking position.

(7) Financing operations of Government corporations and credit agencies.

(8) Trends in Treasury receipts from different sources, and estimates for specific periods of time.

(9) Probable effects of proposed legislation upon Treasury receipts.

(10) Actuarial matters involved in Treasury financing and other Treasury operations, including actuarial estimates for Federal trust funds required by statute.

(11) Other matters, including general considerations of the effects of Treasury operations on business conditions, credit conditions, employment, and the financial structure of the country, which may be involved in requests to the Director of the Technical Staff from Treasury officials.

SEC. 9. *Office of International Finance.* (a) The Office of International Finance is headed by a Director, who is under the supervision of an Assistant Secretary of the Treasury. The Director is assisted in discharging his responsibilities and

duties by the Secretary of the National Advisory Council on International Monetary and Financial Problems, who is a member of the staff of the Office of International Finance. The Secretary of the National Advisory Council serves as Acting Director, Office of International Finance, in the absence of the Director or in case of a vacancy in the office.

(b) The Director, Office of International Finance, is responsible for advising and assisting the Secretary of the Treasury in the formulation and execution of policies and programs relating to the responsibilities of the Treasury Department in the international financial and monetary field, including the policies and programs arising in connection with the following:

(1) The National Advisory Council on International Monetary and Financial Problems, the International Monetary Fund, the International Bank for Reconstruction and Development, and all other matters related to foreign lending, financial, monetary, or exchange activities;

(2) The Anglo-American Financial Agreement and other international loans and financial assistance programs of this Government, including the Foreign Assistance Act of 1948;

(3) Matters relating to the Trading With the Enemy Act, as amended;

(4) Administration and operation of the United States Exchange Stabilization Fund;

(5) Statutes and regulations relating to gold, silver, exchange rates, exchange stabilization operations and agreements, acquisition and disposition of foreign currencies, international capital movements, monetary policy, the position of the dollar in relation to foreign currencies, and international trade and commercial policy, including trade agreements, anti-dumping measures, and countervailing duties;

(6) The financial aspects of international treaties, agreements, organizations, or operations in which the United States Government participates;

(7) Financial and monetary problems arising in foreign areas controlled or administered by the United States Government;

(8) Obtaining current information concerning the financial position and exchange and other controls of foreign countries and developments in their financial and economic life having a bearing upon United States financial or monetary policy, and preparing analyses and recommendations based thereon;

(9) Participating in negotiations with foreign governments with respect to the foregoing responsibilities; and

(10) Maintaining such Treasury representatives abroad as may be required to assist in discharging the foregoing responsibilities, and directing and coordinating their activities.

SEC. 10. *Tax Advisory Staff of the Secretary.* (a) The Tax Advisory Staff is headed by a Director who is under the supervision of an Assistant Secretary of the Treasury.

(b) The principal duty of the Tax Advisory Staff is to supply the Secretary of the Treasury, or such private or public groups as he may select, with information, statements, reports, or analyses of problems which are directly or indirectly related to the economic aspects of taxation. This work requires that the Staff represent the Secretary both internally in the Federal Government and externally with private and public groups in such economic matters.

SEC. 11. *Chief Coordinator, Treasury Enforcement Agencies.* The Chief Coordinator, who is responsible to the Under Secretary, coordinates certain activities of the respective law enforcement agencies of the Treasury Department. These enforcement agencies include the Bureau of Customs, the Bureau of Narcotics, U. S. Secret Service, the Coast Guard, and the Intelligence Unit and Alcohol Tax Unit of the Bureau of Internal Revenue. The country is divided into fourteen coordination districts, and the supervisory officers of the various enforcement services mentioned above serve alternately as district coordinators in addition to their other duties.

BUREAUS, DIVISIONS, AND OFFICES PERFORMING CHIEFLY OPERATIONAL FUNCTIONS

SEC. 12. *United States Savings Bonds Division.* The United States Savings Bonds Division operates under the direction of the National Director, who is also an Assistant to the Secretary and responsible to an Assistant Secretary. The Division promotes the sale of Series E, F, and G savings bonds; encourages the regular purchase of savings bonds on the payroll savings plan in places of employ-

ment; and seeks to maintain good public relations with thousands of banks and other sales agencies which issue bonds without compensation. There is a Director of the United States savings bonds program in each of the States and the District of Columbia.

SEC. 13. *Bureau of Engraving and Printing.* (a) The Bureau operates under a Director, who is responsible to the Under Secretary of the Treasury. It designs, engraves, and prints for the Government of the United States currency, bonds, notes, bills, and certificates; Federal Reserve notes; revenue, customs, and postage stamps; Government checks; and many other classes of engraved work for governmental use. It also performs similar functions for the insular possessions of the United States.

SEC. 14. *Submittals or requests.* Submittals or requests may be made in person to the units described in §§ 1 to 13, inclusive, or by correspondence addressed to the respective heads of such units. In cases where the public is not informed as to which unit is primarily concerned in the matter in question, it should address its correspondence to the Secretary of the Treasury, Washington 25, D. C. Requests to examine final opinions or orders in the adjudication of cases, rules, and requests for information contained in official records should be addressed to the Administrative Assistant to the Secretary as provided in 31 CFR 1.2.

NOTE: Statements respecting the organization of the following units of the Treasury Department appear under separate headings: Office of the Comptroller of the Currency; Office of the Treasurer of the United States; Bureaus of Accounts, Customs, Internal Revenue, Mint, Narcotics, and Public Debt; Committee on Practice; United States Secret Service; and United States Coast Guard.

E. H. FOLEY, JR.,
Acting Secretary of the Treasury.

December 21, 1949.

MISCELLANEOUS

Exhibit 29.—Joint program for improving accounting in the Federal Government

During the past year [calendar year 1948] the General Accounting Office, the Treasury Department, and the Bureau of the Budget have been devoting special effort jointly to the improvement of accounting and financial reporting in the Federal Government. Much of the work done to date has necessarily been with individual agencies in revising their accounting systems and procedures to help in solving urgent major operating problems and producing better information for agency management and for executive and legislative purposes generally. This work has been approached not only from the standpoint of solution of immediate problems, but also to develop basic factors in the present accounting structure of the Government which lead to sometimes supportable charges of inadequate accounting, unnecessary work, and unreliable information, so that such matters can be appropriately handled as part of the broad program which is under way.

The program has now reached a point where it is desirable to crystallize policies, objectives, and work areas to guide and direct further action. In line with this there are attached (1) a general statement of policies and objectives, and (2) a summary of work areas in which work is either being done or scheduled.¹

In approving these documents, we wish to emphasize that they incorporate the philosophy and express our complete agreement that—

- (1) The maintenance of accounting systems and the producing of financial reports are and must continue to be functions of the executive branch.
- (2) There must be an audit independent of the executive branch which will give appropriate recognition to necessary features of internal audit and control. Properly designed accounting systems are a vital factor to the effectiveness of such independent audit.
- (3) Full opportunity is to be afforded to the executive branch for participation in the development of accounting systems as an essential to meeting the needs and responsibilities of both the legislative and executive branches in the establishment of accounting and reporting requirements.

The successful prosecution of this joint program will give the President better management in the executive branch, the Congress better information and bases

¹ Summary of work areas not included herein.

for acting upon appropriations and other legislation, and the public a clearer picture of the financial condition and operations of the Federal Government.

LINDSAY C. WARREN,
Comptroller General of the United States.

JOHN W. SNYDER.
Secretary of the Treasury.

JAMES E. WEBB,
Director of the Bureau of the Budget.

January 6, 1949.

POLICY AND OBJECTIVES

Solution of the accounting problems of the Government is complicated by the fact that not only individual administrative agencies, but also the President and his staff agencies, the Treasury Department, General Accounting Office, and the Congress each have interests and needs to be served by accounting results. Further, the general public is entitled to adequate and understandable presentation of the Government's financial condition and operations. An accounting policy for the Government must take into consideration and reconcile, as far as possible, all viewpoints concerned.

Theoretically, establishment of policy guides should precede intensive developmental work. In a going concern of the size and complexity of the Federal Government, however, policy must to a certain extent be formulated as the result of experience gained with the existing problems and study of the varied needs which must be satisfied. While some policy decisions are needed now, as the program moves forward others will be requested as further working guides. The following initial declarations of policy are proposed:

(1) The Government should have a body of principles and standards for accounting and financial reporting to be observed by all departments and agencies. They should give attention to generally accepted accounting principles, including those recognized in State and municipal accounting, and legal requirements and other considerations peculiar to the Federal Government's accounting.

(2) The Government should adopt, to the extent practicable, uniform terminology for accounting and reporting to afford a common understanding of terms when used in legislation, in budget presentation, and in regulations, reports, and other financial data. Such terminology should be an outgrowth of the development of accounting principles and practices so that the terms adopted will be meaningful and sufficiently firm to stand without substantial modification.

(3) Recognition should be given to the twofold purpose which accounting must serve in providing information as an aid to legislative action, fiscal administration, and operating management. Procedures and techniques should be devised to reveal in proper relationship:

(a) The budgetary status of appropriations and other authorizations and their application, where appropriate, below the appropriation level in financing particular programs, activities, or projects; and

(b) Financial condition and operating results involving appropriate consideration of such factors as income, costs, assets, and liabilities in relation to particular programs or activities and in a composite sense.

(4) Accounting should be geared to the needs of management responsible for operations. The keeping of proper records and exercise of proper controls at that point are the foundation on which the entire system of accounting and reporting in the Government must rest.

(5) Agency systems should have built into them elements which will make accounting responsive to the following needs, from the standpoint of agency management and over-all financial administration:

(a) Discharge of financial responsibility relating to—

Complying with statutory and other limits or requirements on the expenditure side and controlling and collecting amounts due the Government.

Controlling and making a faithful accounting for all cash, property, and other assets for which responsibility exists.

Making a full disclosure of the financial results of operations.

(b) Efficient administration involving—

Planning, budgeting and scheduling programs.

Controlling the execution of programs and accomplishing the greatest utilization of resources applied in relation to benefits received or income realized.

Evaluating operating performance and accomplishment in relation to plans and programs and, to the extent appropriate, costs incurred, income earned, or benefits received.

(6) Each agency should have an accounting organization, manned by qualified and able personnel, capable of and responsible for dealing with accounting from the standpoint of operating factors and within the framework of prescribed requirements molding a system to the particular needs involved. Such organization should be linked to top management to bring it close to management considerations as they evolve, and the accounting function should be coordinated with internal control and budgetary responsibilities and external reporting requirements.

(7) Central accounting and reporting facilities should be provided for bringing together and producing information needed regarding the financial condition and operations of the Government as a whole. Such central facilities should be in the Treasury Department because of the nature of the fiscal operations, accounting and reporting it performs. There should be developed modern and properly coordinated systems of accounting for the several bureaus and offices of the Treasury Department with such concentration of accounting and reporting functions in its Fiscal Service as may be necessary to accomplish complete integration of accounting results for Treasury operations and provide the operating center for the Government's system of central accounting and reporting.

(8) The central accounts and reports of the Treasury relating to the Government's operations as a whole should be concerned only with basic information of a summary character with assurance that related details can be obtained, as needed, from underlying records in the various agencies on a consistent or readily reconcilable basis. To insure the reliability of information centrally produced and avoid duplication or overlapping of record keeping there should be proper integration of Treasury and agency accounting processes and reports furnished the Treasury should be based on the accounting records of agencies.

(9) Accounting systems approved by the Comptroller General for the Treasury Department and other agencies should include such features of internal control and interrelated procedures as will lead to accuracy and adequate disclosure in all accounting and reporting and provide a basis for economical and effective external control and audit.

(10) External audit and control methods should be under review in the light of increased effectiveness of accounting systems. They should be developed by the General Accounting Office in balanced relationship with the features of internal control and interrelated procedures incorporated in agency and Treasury accounting systems. The potentialities for improvement which are inherent in the review and appraisal of accounting systems in actual operation and in site audits should be developed as a part of the program.

(11) Budgetary processes should be under review in order that improvements in such processes may go hand in hand with improvements in accounting systems and reporting methods. Consideration should be given to the appropriation structure and to accounting classifications, both at and below the appropriation level.

(12) Emphasis should be placed, within the framework of present law, on simplification and modernization of requirements and procedures and elimination of those which do not serve a useful purpose or do not result in benefits commensurate with the cost involved. Legislative recommendations should be made when found necessary for further improvements in the interest of sound accounting, economy, or better utilization of accounting funds and efforts.

Exhibit 30.—Supplement No. 5, September 7, 1948, to Department Circular No. 655, prescribing regulations relating to delivery of checks and warrants to addressees outside the United States, its Territories, and possessions

TREASURY DEPARTMENT,
Washington, September 7, 1948.

Section 211.3(a) of Department Circular No. 655, dated March 19, 1941 (31 C. F. R. Cum. Supp. 211.3(a)), as amended, is hereby further amended to read as follows:

"The Secretary of the Treasury hereby determines that postal, transportation, or banking facilities in general or local conditions in Albania, Germany, and Japan are such that there is not a reasonable assurance that a payee in any of those

countries will actually receive checks or warrants drawn against funds of the United States, or agencies or instrumentalities thereof, and be able to negotiate the same for full value."

Except to the extent they have been authorized by unrevoked licenses of Foreign Funds Control, remittances by United States Government agencies to blocked countries will continue to be restricted by Executive Order 8389, as amended, and rules and regulations issued pursuant thereto.

E. H. FOLEY, JR.,
Acting Secretary of the Treasury.

Exhibit 31.—Letter of the Postmaster General to the Secretary of the Treasury certifying extraordinary expenditures contributing to the deficiencies of postal revenues for the fiscal year 1949.

WASHINGTON, D. C., December 9, 1949.

THE HONORABLE THE SECRETARY OF THE TREASURY.

DEAR MR. SECRETARY: Pursuant to the provisions of the act of June 9, 1930 (39 U. S. C. 793), embodied in section 18.7, Postal Laws and Regulations of 1948, the amounts set forth below with respect to certain mailings during the fiscal year ended June 30, 1949, as determined under our present system of estimating, are certified to you in order that they may be separately classified on the books of the Treasury Department:

(a) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by officers of the Government (other than those of the Post Office Department) under the penalty privilege, including registry fees:

Postage.....	\$54, 209, 127
Registry fees, including surcharges.....	21, 951, 827

Total.....	\$76, 160, 954
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(b) The estimated amount which would have been collected at regular rates of postage on matter mailed during the year by:

1. Members of Congress under the franking privilege.....	\$1, 027, 692
2. By others under the franking privilege....	53, 588

Total.....	1, 081, 280
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(c) The estimated amount which would have been collected during the year at regular rates of postage on publications going free in the county.....	803, 695
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(d) The estimated amount which would have been collected at regular rates of postage on matter mailed free to the blind during the year.....	108, 548
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(e) The estimated difference between the postage revenue collected during the year on mailings of newspapers and periodicals published by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, and fraternal organizations, and that which would have been collected at zone rates of postage....	480, 490
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(f) The estimated excess during the year of the cost of aircraft service over the postage revenues derived from air mail.....	41, 483, 696
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Grand total.....	120, 118, 663
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It has not been the practice to include in item (f) the total cost of handling and transporting air mail. Under the system of estimating which is the same used in prior years, the cost of the items considered amounted to \$132,910,908 for the fiscal year 1949. This estimate includes only payments to air carriers, personnel costs at air mail fields, and the extra transportation cost involved in getting mail to and from air mail fields. Preliminary figures for the fiscal year 1949 indicate that the total cost of handling and transporting air mail, as determined by Cost Ascertainment procedure, amounted to \$164,552,000. The combined revenue from foreign and domestic air mail including air parcel post was \$91,427,212.

Sincerely yours,

V. C. BURKE,
Acting Postmaster General.

T A B L E S

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NOTE.—In tables where figures have been rounded to a specified unit, the components may not necessarily add to totals. Percentages are calculated on unrounded figures.

EXPLANATION OF BASES USED IN TABLES

Figures in the following tables are shown on various bases, namely: (1) daily Treasury statements, (2) Public Debt accounts, (3) warrants issued, (4) checks issued, and (5) collections reported by collecting officers.

Daily Treasury statements.—The figures shown in the Daily Statement of the United States Treasury are compiled from the latest daily reports received by the Treasurer of the United States from Government depositaries and Treasury offices holding Government funds. The daily Treasury statement, therefore, is a current report compiled from latest available information, and, by reason of the promptness with which the information is obtained and made public, it has come into general use as reflecting the receipts and expenditures of the Government covering a given period and the condition of the Treasury as it is ascertainable from day to day. The current assets and liabilities of the Treasurer's accounts are also shown. The figures as shown in current daily Treasury statements are the basis for the budget estimates of receipts and expenditures, public debt, and condition of the Treasury submitted to Congress by the President. Effective with the beginning of the fiscal year 1947 expenditures of the several departments and establishments serviced by the Division of Disbursement, Treasury Department, are reported in the daily Treasury statement on the basis of checks issued. A clearing account is provided to take care of outstanding checks. Beginning July 1, 1948, such expenditures are reported as of the day on which checks are issued in payment of obligations, through the use of teletype facilities.

Two important changes were made during the fiscal year 1949 in the method of reporting budget receipts and expenditures, both in the daily Treasury statement and in the Budget document: (1) Effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations, for retirement of capital stock and for disposition of earnings, were excluded in reporting both receipts and expenditures, and (2) effective January 1, 1949, as announced jointly by the Secretary of the Treasury, the Director of the Bureau of the Budget, and the Comptroller General, amounts refunded by the Government, principally for the over-payment of taxes, are reported as deductions from total receipts rather than as expenditures. Refunds of receipts are not true operating costs but merely represent the return of money which the Government is not entitled to keep. The new method results in a clearer presentation of receipts retained by the Government and causes reported budget expenditures to reflect more accurately the actual cost of carrying out Government programs. Neither of these changes relating to capital transfers and refunds of receipts affects the size of the budget surplus or deficit.

Public Debt accounts.—On account of the distance of some of the Treasury offices and depositaries from the Treasury, it is obvious that the reports from all offices covering a particular day's transactions cannot be received and assembled in the Treasury at one time without delaying for several days the publication of the daily Treasury statement. It is not practicable to delay the publication of the daily Treasury statement in order to include the latest reports. It is necessary, therefore, in order to exhibit the actual public debt receipts and expenditures for any given fiscal year, to take into consideration those reports covering the transactions toward the end of the fiscal year concerned which have not been received in the Treasury until the succeeding fiscal year, and to eliminate receipts and expenditures relating to the preceding fiscal year. After taking into consideration these reports the revised figures indicate the status of the public debt on the basis of actual transactions during the period under review as reflected by the Public Debt accounts. This is known as "the basis of Public Debt accounts."

Warrants issued (receipts).—Section 305 of the Revised Statutes provides that receipts for all moneys received by the Treasurer of the United States shall be endorsed upon warrants signed by the Secretary of the Treasury, without which warrants, so signed, no acknowledgment for money received into the Public Treasury shall be valid. The issuance of warrants by the Secretary of the Treas-

ury, as provided by law, represents the formal covering of receipts into the Treasury.

Certificates of deposit covering actual deposits in Treasury offices and depositories, upon which covering warrants are based, cannot reach the Treasury simultaneously, and for that reason all receipts for a fiscal year cannot be covered into the Treasury by warrants of the Secretary immediately upon the close of that fiscal year. It is necessary to have all certificates of deposit before a statement can be issued showing the total receipts for a particular fiscal year on a warrant basis. The figures thus compiled and contained in this report are on a warrants issued basis. Table 2 for years prior to 1916 shows receipts on this basis.

Warrants issued (expenditures).—The Constitution of the United States provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Section 305 of the Revised Statutes requires that the Treasurer of the United States shall disburse the moneys of the United States upon warrants drawn by the Secretary of the Treasury. As the warrants are issued by the Secretary they are charged against the appropriate appropriations provided by law. Some of these warrants do not represent actual payments to claimants, but are merely advances of funds to be placed to the credit of disbursing officers of the Government with the Treasurer of the United States for the payment of Government obligations. The disbursing officer then issues his check on the Treasurer in payment of such obligations. As far as the appropriation accounts are concerned, the warrants issued and charged thereto constitute expenditures, but it will be observed that such expenditures necessarily include unexpended balances to the credit of the disbursing officers.

Checks issued (expenditures).—This basis, more than any other, reflects the real expenditures of the Government. Expenditures for a given fiscal year on the basis of checks issued differ from the corresponding figures on the basis of warrants in that the former include expenditures made by disbursing officers from credits granted during the previous fiscal year, and exclude the amount of unexpended balances remaining to their credit at the end of the fiscal year. A detailed explanation of the basis of checks issued will be found on page 89 of the Secretary's report for 1927.

Collections reported by collecting officers (receipts).—Statements showing receipts on a collection basis are compiled from reports received by the various administrative offices from collecting officers in the field, such as collectors of internal revenue and collectors of customs. These reports cover the collections actually made by these officers during the period specified. The collections are then deposited in a designated Government depository to the credit of the Treasurer of the United States, which depository renders a report to the Treasurer. The reports of the collecting officers and the depositories do not, of course, coincide, for the reason that the collecting officers make collections during the last few days of the fiscal year which are not deposited until after the close of the fiscal year. For this reason the two reports do not agree. The receipts are reported on a collection basis merely for statistical purposes and to furnish information as to detailed sources of revenue. Classification of such items on the basis of deposits has been found to be impracticable and uneconomical. Table 7 shows receipts on a collection basis.

DESCRIPTION OF ACCOUNTS THROUGH WHICH TREASURY OPERATIONS ARE EFFECTED

All receipts of the Government are covered into the general fund of the Treasury from which all expenditures are made. Receipts and expenditures, however, are classified in the Treasury's records according to the class of accounts through which operations are effected. Transactions are segregated in order to exhibit separately those effected through general and special accounts, as contrasted with those effected through trust accounts. This classification was first shown for the warrants and checks-issued bases and on the daily Treasury statements beginning with the July 1, 1933, issue, in order to conform to the practice of the Bureau of the Budget. In some tables in this report, however, transactions in the three types of accounts are combined for purposes of historical comparison. A brief general explanation of the three classes of accounts is presented below.

General accounts.—The principal sources of general account receipts are income taxes, miscellaneous internal revenue, social security taxes, taxes upon carriers and their employees, and customs duties. In addition, a large number of miscellaneous receipts come under this head, including such items as proceeds of

Government-owned securities (except those which are applicable to public debt retirement), sale of surplus and condemned property, Panama Canal tolls, fees (including consular and passport fees), fines, penalties, forfeitures, rentals, royalties, reimbursements, immigration head tax, sale of public land, seigniorage on coinage of subsidiary silver and minor coins, etc. Moneys represented in the general accounts may be withdrawn from the Treasury only in pursuance of appropriations made by Congress. There are five classes of appropriations payable through the general accounts of the Treasury, namely: (a) Annual, which are available for incurring obligations only during a specified fiscal year; (b) multiple-year, which are available for incurring obligations for a definite period in excess of one fiscal year; (c) continuing (no year), which are available for incurring obligations until exhausted or until the object for which appropriated has been accomplished; (d) permanent-specific, which are fixed amounts provided for each of a series of years by permanent legislation, without annual action of Congress; and (e) permanent-indefinite, which are indefinite amounts (so much as may be necessary) provided by permanent legislation without annual action of Congress, such as the indefinite appropriation to cover interest on the public debt.

A statement of general account receipts and expenditures is, therefore, in the nature of a general operating statement, and gives a picture of the relationship between the general revenues of the Government and the operating expenditures (including capital outlays and fixed charges) chargeable against them.

Special accounts.—Special account receipts may be generally defined as funds received under special authorizations of law which may be expended only for the particular purposes specified therein. Special account receipts may not be used for the general expenditures of the Government. The more important items of receipts included under this heading, from the standpoint of amounts other than those applicable to the retirement of the public debt are the reclamation fund, Alaska Railroad fund, and Mineral Leasing Act under the Department of the Interior; and the national forest funds under the Department of Agriculture. There are many other special account receipts of lesser importance. Details of these accounts, which are summarized under miscellaneous receipts in table 117, are given in the Combined Statement of Receipts and Expenditures, and Balances.

Trust accounts.—Trust account receipts represent moneys received by the Government for the benefit of individuals or classes of individuals and are used for purposes specified in the trust. Moneys held in trust, being payable to or for the use of beneficiaries only, are not available for general expenditures of the Government. There are several classes of trust account receipts, the beneficiaries under which may be either individuals or groups of individuals. The accounts may represent (a) moneys received directly from or for account of individuals, as in the case of moneys received from foreign governments or other sources in trust for citizens of the United States or others under the act of February 27, 1896; (b) moneys collected as revenues and held in trust, such as the proceeds of sales of Indian lands which are held as interest-bearing funds for the benefit of Indian tribes; (c) proceeds of grants from the general accounts of the Treasury in pursuance of treaty or other obligations such as the perpetual trust fund created for the Ute Indians under section 5 of the act of June 15, 1880; (d) deposits, donations, or contributions for specified purposes, such as funds received for the purchase of lands in the national parks; and (e) deposits to be held until appropriate disposition thereof can be made, such as proceeds from the redemption of bonds found and whose owners are unknown.

Checking accounts of Government corporations.—Commencing with the fiscal year 1947, the practice of reporting net operations of wholly owned Government corporations and certain other business-type agencies on page 3 of the daily Treasury statement was discontinued and thereafter such transactions (except sales or redemptions of their obligations in the market) have been reflected on page 2 of the daily Treasury statement and are included in budget expenditures. Expenditures for corporations, the disbursements of which are not handled by the Division of Disbursement, Treasury Department, are reflected in the daily Treasury statement on the basis of checks paid by the Treasurer of the United States.

FEDERAL FISCAL

TABLE 1.—*Summary of Federal fiscal operations,*

[On basis of daily Treasury

Fiscal year or month	Budget receipts and expenditures			Trust accounts, etc., net receipts, or expenditures (—) ⁵
	Net receipts ¹	Expenditures ² ⁴	Surplus, or deficit (—)	
1932.....	\$1,923,913,117	\$4,659,202,825	—\$2,735,289,708	—\$5,178,050
1933.....	2,021,212,943	4,622,865,028	—2,601,652,085	—5,009,989
1934.....	3,064,267,912	6,693,899,854	—3,629,631,943	834,880,108
1935.....	3,729,913,845	6,520,965,945	—2,791,052,100	402,724,190
1936.....	4,068,936,689	8,493,485,919	—4,424,549,230	187,063,025
1937.....	4,978,600,695	7,756,021,409	—2,777,420,714	3,314,169
1938.....	5,802,185,636	6,978,802,234	—1,176,616,598	98,934,030
1939.....	5,103,396,943	8,965,554,983	—3,862,158,040	1,209,673,564
1940.....	5,264,663,044	9,182,682,204	—3,918,019,161	442,538,143
1941.....	7,227,281,383	13,386,553,742	—6,159,272,358	907,790,781
1942.....	12,696,286,084	34,186,528,816	—21,490,242,732	—1,612,785,695
1943.....	22,201,501,787	79,621,932,152	—57,420,430,365	—337,796,138
1944.....	43,891,672,699	95,315,065,241	—51,423,392,541	—2,221,918,654
1945.....	44,761,609,047	98,702,525,172	—53,940,916,126	791,293,666
1946.....	40,026,888,964	60,703,059,573	—20,676,170,609	—523,587,210
1947.....	40,042,606,290	39,288,818,630	753,787,660	—1,102,524,942
1948 ⁷	42,210,770,493	33,791,300,649	8,419,469,844	—294,342,662
1949 ⁷	38,245,667,810	40,057,107,858	—1,811,440,048	—494,733,365
1948—July.....	2,096,287,953	3,740,944,400	—1,644,656,447	4,438,012
August.....	2,504,634,971	2,335,244,020	169,390,951	202,465,866
September.....	4,542,906,538	3,065,747,957	1,477,158,581	—373,662,230
October.....	2,100,794,043	2,910,595,284	—809,801,241	82,150,102
November.....	2,539,976,055	3,162,521,313	—622,545,258	317,204,575
December.....	4,013,728,589	4,102,173,534	—88,444,945	—218,566,042
1949—January.....	3,579,316,813	3,205,285,720	374,031,093	—84,087,401
February.....	3,381,426,208	2,971,942,070	409,484,138	172,085,146
March.....	5,434,736,912	3,651,284,554	1,783,452,358	—314,941,980
April.....	1,339,765,508	3,151,046,014	—1,811,280,506	—62,065,633
May.....	1,945,169,036	3,104,406,172	—1,159,237,136	291,462,614
June.....	4,766,925,185	4,655,916,820	111,008,365	—511,216,396

¹ Guaranteed obligations for 1934-39 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements. Excludes guaranteed obligations held by the Treasury.

² Total budget receipts less amounts appropriated to Federal old-age and survivors insurance trust fund and refunds of receipts. See also footnote 3.

³ Effective Jan. 3, 1949, amounts refunded by the Government, principally for the overpayment of taxes, are being reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, have been excluded in reporting both budget receipts and expenditures. Neither of these changes affects the size of the budget surplus or deficit. Prior year figures have been adjusted accordingly for comparative purposes.

⁴ Figures exclude amounts for public debt retirements which are chargeable to the sinking fund, etc., under special provisions of law; and include expenditures for "Government corporations (wholly owned), etc. (net)."

⁵ Comprises trust accounts; sales and redemptions of securities of Government corporations, etc., in the market (net); increment on gold; seigniorage on silver; and miscellaneous funds and accounts. Figures exclude retirement of national bank notes chargeable against increment on gold (fiscal years 1935-39).

⁶ Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks; excess of receipts, or expenditures (—).

OPERATIONS

fiscal years 1932-49 and monthly 1949

statements,¹ see p. 351]

Clearing account *	Public debt net increase, or decrease (-)	General fund balance net increase, or decrease (-)	Amount, end of period			
			General fund balance	Debt outstanding		
				Public debt	Guaranteed obligations †	Total
	\$2,685,720,952	-\$54,746,805	\$417,197,178	\$19,487,002,444		\$19,487,002,444
	3,051,670,116	445,008,042	862,205,221	22,538,672,560		22,538,672,560
	4,514,468,854	1,719,717,020	2,581,922,240	27,053,141,414	\$680,767,817	27,733,909,231
	1,647,751,210	-740,576,701	1,841,345,539	28,700,892,625	4,122,684,692	32,823,577,316
	5,077,650,869	840,164,664	2,681,510,204	33,778,543,494	4,718,033,242	38,496,576,735
	2,646,070,239	-128,036,307	2,553,473,897	36,424,613,732	4,664,604,533	41,089,218,265
	740,126,583	-337,555,984	2,215,917,913	37,164,740,315	4,852,791,651	42,017,531,967
	3,274,792,096	622,307,620	2,838,225,533	40,439,532,411	5,450,834,099	45,890,366,510
	2,527,998,627	-947,482,391	1,890,743,141	42,967,531,038	5,529,070,655	48,496,601,693
	5,993,912,498	742,430,921	2,633,174,062	48,961,443,536	6,370,252,580	55,331,696,116
	23,461,001,581	357,973,154	2,991,147,216	72,422,445,116	4,568,259,630	76,990,704,746
	64,273,645,214	6,515,418,710	9,506,565,926	136,696,090,330	4,099,943,046	140,796,033,376
	64,307,296,891	10,661,985,696	20,168,551,622	201,003,387,221	1,623,069,301	202,626,456,522
	57,678,800,189	4,529,177,729	24,697,729,352	258,682,187,410	433,158,392	259,115,345,802
	10,739,911,763	-10,459,846,056	14,237,883,295	269,422,099,173	476,384,859	269,898,484,033
\$554,706,981	-11,135,716,065	-10,929,746,366	3,308,136,929	258,286,383,109	89,520,185	258,375,903,294
-507,106,039	-5,994,136,596	1,623,884,548	4,932,021,477	252,292,246,513	73,460,818	252,365,707,331
366,441,900	478,113,347	-1,461,618,165	3,470,403,312	252,770,359,860	27,275,408	252,797,635,268
700,210,302	1,081,505,514	141,497,381	5,073,518,858	253,373,752,027	55,188,495	253,428,940,522
-288,756,593	-324,389,961	-241,289,737	4,832,229,121	253,049,362,065	51,445,880	253,100,807,945
9,229,693	-361,998,301	750,727,743	5,582,956,864	252,687,363,765	50,484,036	252,737,847,800
174,048,345	-227,114,439	-780,717,232	4,802,239,632	252,460,249,326	52,360,509	252,512,609,835
-157,626,667	45,798,103	-417,169,248	4,385,070,385	252,506,047,428	56,946,671	252,562,994,099
-163,181,795	293,533,701	-176,659,081	4,208,411,304	252,799,581,129	54,820,332	252,854,401,461
340,068,916	-179,172,417	450,840,192	4,659,251,495	252,620,408,712	35,758,594	252,656,167,306
-50,989,628	100,873,740	631,453,397	5,290,704,892	252,721,282,452	26,110,774	252,747,393,227
87,133,755	-1,079,768,291	475,875,842	5,766,580,734	251,641,514,161	24,083,845	251,665,598,007
212,968,228	-111,045,907	-1,771,423,818	3,995,156,917	251,530,468,255	22,851,485	251,553,319,740
-323,699,062	358,951,757	-832,521,827	3,162,635,090	251,889,420,012	23,060,151	251,912,480,163
-172,963,596	880,939,849	307,768,222	3,470,403,312	252,770,359,860	27,275,408	252,797,635,268

¹ Sec. 114 (f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of \$3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund," and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of \$3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of \$3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to sec. 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

	<i>Fiscal year 1948</i>	<i>Fiscal year 1949</i>
Budget receipts.....	\$42,210,770,493	\$38,245,667,810
Budget expenditures.....	36,791,300,649	37,057,107,858
Budget surplus.....	5,419,469,844	1,188,559,952

RECEIPTS AND

TABLE 2.—Receipts and expenditures,

[On basis of warrants issued from 1789 to 1915, and on basis of daily Treasury statements for 1916 and sub-1930. Trust accounts excluded for 1931 and sub-

Year	Receipts				
	Customs (including tonnage tax)	Internal revenue		Other receipts ²	Total receipts ³
		Income and profits taxes	Other		
1789-91	\$4,399,473			\$19,440	\$4,418,913
1792	3,443,071		\$208,943	17,946	3,669,960
1793	4,255,307		337,706	59,910	4,652,923
1794	4,801,065		271,090	356,750	5,431,905
1795	5,588,461		337,755	188,318	6,114,534
1796	6,567,988		475,290	1,334,252	8,377,530
1797	7,549,650		575,491	563,610	8,688,781
1798	7,106,062		644,358	150,076	7,900,496
1799	6,610,449		779,136	157,228	7,546,813
1800	9,080,933		809,396	958,420	10,848,749
1801	10,750,779		1,048,633	1,136,519	12,935,331
1802	12,438,236		621,899	1,935,659	14,995,794
1803	10,479,418		215,180	369,500	11,064,098
1804	11,098,565		50,941	766,801	11,826,307
1805	12,936,487		21,747	602,459	13,560,693
1806	14,667,698		20,101	872,132	15,559,931
1807	15,845,522		13,051	539,446	16,398,019
1808	16,362,551		8,211	688,900	17,060,662
1809	7,296,021		4,044	473,408	7,773,473
1810	8,583,309		7,431	793,475	9,384,215
1811	13,313,223		2,296	1,108,010	14,423,529
1812	8,958,778		4,903	837,452	9,801,133
1813	13,224,623		4,755	1,111,032	14,340,410
1814	5,998,772		1,662,985	3,519,868	11,181,625
1815	7,282,942		4,678,059	3,768,023	15,729,024
1816	36,306,875		5,124,708	6,246,088	47,677,671
1817	26,283,348		2,678,101	4,137,601	33,099,050
1818	17,176,385		955,270	3,453,516	21,585,171
1819	20,283,609		229,594	4,090,172	24,603,375
1820	15,005,612		106,261	2,768,797	17,880,670
1821	13,004,447		69,028	1,499,905	14,573,380
1822	17,589,762		67,666	2,575,000	20,232,428
1823	19,088,433		34,242	1,417,991	20,540,666
1824	17,878,326		34,663	1,498,224	19,381,213
1825	20,098,713		25,771	1,716,374	21,840,858
1826	23,341,332		21,590	1,897,512	25,260,434
1827	19,712,283		19,886	3,234,195	22,966,364
1828	23,207,524		17,452	1,540,654	24,763,630
1829	22,681,966		14,503	2,131,158	24,827,627
1830	21,922,391		12,161	2,909,564	24,844,116
1831	24,221,442		6,934	4,295,445	28,526,821
1832	28,465,237		11,631	3,388,693	31,865,561
1833	29,032,509		2,759	4,913,159	33,948,427
1834	16,211,957		4,196	5,572,783	21,791,936
1835	19,391,311		10,459	16,028,317	35,430,087
1836	23,409,941		370	27,416,485	50,826,796
1837	11,169,290		5,494	13,779,369	24,954,153
1838	16,158,800		2,467	10,141,295	26,302,562
1839	23,137,925		2,553	8,342,271	31,482,749
1840	13,499,502		1,682	5,978,931	19,480,115
1841	14,487,217		3,261	2,369,682	16,860,160
1842	18,187,909		495	1,787,794	19,976,198
1843	7,046,844		103	1,255,755	8,302,702
1844	26,183,571		1,777	3,136,026	29,321,374
1845	27,528,113		3,517	2,438,476	29,970,106
1846	26,712,668		2,897	2,984,402	29,699,967
1847	23,747,865		375	2,747,529	26,495,769
1848	31,757,071		375	3,978,333	35,735,779
1849	28,246,739			2,861,404	31,208,143
1850	39,668,686			3,934,753	43,603,439
1851	49,017,568			3,541,736	52,559,304
1852	47,339,327			2,507,489	49,846,816
1853	58,931,866			2,655,188	61,587,054
1854	64,224,190			9,576,151	73,800,341
1855	53,025,794			12,324,781	65,350,575
1856	64,022,863			10,033,836	74,056,699

Footnotes at end of table.

EXPENDITURES

fiscal years 1789-1949 ¹sequent years, see p. 351. General, special, emergency, and trust accounts combined from 1789 through
quent years. For explanation of accounts, see p. 352]

Expenditures					
Department of the Army (formerly War Department) ^{1,2}	Department of the Navy ³	Interest on the public debt	All other ⁷	Total expend- itures ³	Surplus, or deficit (-)
\$632,804	\$570	\$2,349,437	\$1,286,216	\$4,269,027	\$149,886
1,100,702	53	3,201,628	777,149	5,079,532	-1,409,572
1,130,249	-----	2,772,242	579,822	4,482,313	170,610
2,639,098	61,409	3,490,293	800,039	6,990,839	-1,558,934
2,480,910	410,562	3,189,151	1,459,186	7,539,809	-1,425,275
1,260,264	274,784	3,195,055	996,883	5,726,986	2,650,544
1,039,403	382,632	3,300,043	1,411,556	6,133,634	2,555,147
2,009,522	1,381,348	3,053,281	1,232,353	7,676,504	223,992
2,466,947	2,858,082	3,186,288	1,155,138	9,666,455	-2,119,642
2,560,879	3,448,716	3,374,705	1,401,775	10,786,075	62,674
1,672,944	2,111,424	4,412,913	1,197,301	9,394,582	3,540,749
1,179,148	915,562	4,125,039	1,642,369	7,862,118	7,133,676
822,056	1,215,231	3,848,828	1,963,538	7,851,653	3,212,445
875,424	1,189,833	4,266,583	2,347,602	8,719,442	3,106,865
712,781	1,597,500	4,148,999	4,046,954	10,506,234	3,054,459
1,224,355	1,649,641	3,723,408	3,206,213	9,803,617	5,756,314
1,288,686	1,722,064	3,369,578	1,973,823	8,354,151	8,043,868
2,900,834	1,884,068	3,428,153	1,719,437	9,932,492	7,128,170
3,345,772	2,427,759	2,866,075	1,641,142	10,280,748	-2,507,275
2,294,324	1,654,244	2,845,428	1,362,514	8,156,510	1,227,705
2,032,828	1,965,566	2,465,733	1,594,210	8,058,337	6,365,192
11,817,798	3,959,365	2,451,273	2,052,335	20,280,771	-10,479,638
19,652,013	6,446,600	3,599,455	1,983,784	31,681,852	-17,341,442
20,350,807	7,311,291	4,593,239	2,465,589	34,720,926	-23,539,301
14,794,294	8,660,000	5,754,569	3,499,276	32,708,139	-16,979,115
18,012,097	3,908,278	7,213,259	3,453,057	30,586,691	17,090,980
8,004,237	3,314,598	6,389,210	4,135,775	21,843,820	11,255,230
5,622,715	2,953,695	6,016,447	5,232,264	19,825,121	1,760,050
6,506,300	3,847,640	5,163,538	5,946,332	21,463,810	3,139,565
2,630,392	4,387,990	5,126,097	6,116,148	18,260,627	-379,957
4,461,292	3,319,243	5,087,274	2,942,944	15,810,753	-1,237,373
3,111,981	2,224,459	5,172,578	4,491,202	15,000,220	5,232,208
3,096,924	2,503,766	4,922,685	4,183,465	14,706,840	5,833,826
3,340,940	2,904,582	4,996,562	9,084,624	20,326,708	-945,495
3,659,914	3,049,084	4,366,769	4,781,462	15,857,229	5,983,629
3,943,194	4,218,902	3,973,481	4,900,220	17,035,797	8,224,637
3,938,978	4,263,877	3,486,072	4,450,241	16,139,168	6,827,196
4,145,545	3,918,786	3,098,801	5,231,711	16,394,843	8,368,787
4,724,291	3,308,745	2,542,843	4,627,454	15,203,333	9,624,294
4,767,129	3,239,429	1,913,533	5,222,975	15,143,066	9,701,050
4,841,836	3,856,183	1,383,583	5,166,049	15,247,651	13,279,170
5,446,035	3,956,370	772,562	7,113,983	17,288,950	14,576,611
6,704,019	3,901,357	303,797	12,108,379	23,017,552	10,930,875
5,696,189	3,956,260	202,153	8,772,967	18,627,569	3,164,367
5,759,157	3,864,939	57,863	7,890,854	17,572,813	17,857,274
12,169,227	5,807,718	-----	12,891,219	30,868,164	19,958,632
13,682,734	6,646,915	-----	16,913,847	37,243,496	-12,289,343
12,897,224	6,131,596	14,997	14,821,242	33,865,059	-7,562,497
8,916,906	6,182,294	399,834	11,400,004	26,899,128	4,583,621
7,097,070	6,113,897	174,598	10,932,014	24,317,579	-4,837,464
8,805,565	6,001,077	284,978	11,474,253	26,565,873	-9,705,713
6,611,887	8,397,243	773,550	9,423,081	25,205,761	-5,229,563
2,957,300	3,727,711	523,595	4,649,469	11,858,075	-3,555,373
5,179,220	6,498,199	1,833,867	8,826,285	22,337,571	6,983,803
5,752,644	6,297,245	1,040,032	9,847,487	22,937,408	7,032,698
10,792,867	6,454,947	842,723	9,676,388	27,766,925	1,933,042
38,305,520	7,900,636	1,119,215	9,956,041	57,281,412	-30,785,643
25,501,963	9,408,476	2,390,825	8,075,962	45,377,226	-9,641,447
14,852,966	9,786,706	3,565,578	16,846,407	45,051,657	-13,843,514
9,400,239	7,904,709	3,782,331	18,456,213	39,543,492	4,059,947
11,811,793	9,005,931	3,696,721	23,194,572	47,709,017	4,850,287
8,225,427	8,952,801	4,000,298	23,016,573	44,194,919	5,651,897
9,947,291	10,918,781	3,665,833	23,652,206	48,184,111	13,402,943
11,733,629	10,798,586	3,071,017	32,441,630	58,044,862	15,755,479
14,773,826	13,312,024	2,314,375	23,342,443	59,742,668	5,607,907
16,948,197	14,091,781	1,953,822	36,577,226	69,571,026	4,485,673

TABLE 2.—Receipts and expenditures,

Year	Receipts					
	Customs (including tonnage tax)	Internal revenue		Other receipts ²	Total receipts ³	Net receipts ⁴
		Income and profits taxes	Other			
1857	\$63,875,905			\$5,089,408	\$68,965,313	\$68,965,313
1858	41,789,621			4,865,745	46,655,366	46,655,366
1859	49,565,824			3,920,641	53,486,465	53,486,465
1860	53,187,512			2,877,096	56,064,608	56,064,608
1861	39,582,126			1,927,805	41,509,931	41,509,931
1862	49,056,398			2,931,058	51,987,456	51,987,456
1863	69,059,642	\$2,741,858	\$34,898,930	5,996,861	112,697,291	112,697,291
1864	102,316,153	20,294,732	89,446,402	52,569,484	264,626,771	264,626,771
1865	84,928,261	60,979,329	148,484,886	39,322,129	333,714,605	333,714,605
1866	179,046,652	72,982,159	236,244,654	69,759,155	558,032,620	558,032,620
1867	176,417,811	66,014,429	200,013,108	48,188,662	490,634,010	490,634,010
1868	164,464,600	41,455,598	149,631,991	50,085,894	405,638,083	405,638,083
1869	180,048,427	34,791,856	123,564,605	32,538,859	370,943,747	370,943,747
1870	194,538,374	37,775,874	147,123,882	31,817,347	411,255,477	411,255,477
1871	206,270,408	19,162,651	123,935,503	33,955,383	383,323,945	383,323,945
1872	216,370,287	14,436,862	116,205,316	27,094,403	374,106,868	374,106,868
1873	188,089,523	5,062,312	108,667,002	31,919,368	333,738,205	333,738,205
1874	163,103,834	139,472	102,270,313	39,465,137	304,978,756	304,978,756
1875	157,167,722	233	110,007,261	20,824,835	288,000,051	288,000,051
1876	148,071,985	588	116,700,144	29,323,148	294,095,865	294,095,865
1877	130,956,493	98	118,630,310	31,819,518	281,406,419	281,406,419
1878	130,170,680		110,581,625	17,011,574	257,763,879	257,763,879
1879	137,250,048		113,561,611	23,015,526	273,827,185	273,827,185
1880	186,522,064		124,009,374	22,995,173	333,526,611	333,526,611
1881	198,159,676	3,022	135,261,364	27,358,231	360,782,293	360,782,293
1882	220,410,730		146,497,596	36,616,924	403,525,250	403,525,250
1883	214,706,497		144,720,369	38,860,716	398,287,582	398,287,582
1884	195,067,490	55,628	121,530,445	31,866,307	348,519,870	348,519,870
1885	181,471,939		112,498,726	29,720,041	323,690,706	323,690,706
1886	192,905,023		116,805,936	26,728,767	336,439,726	336,439,726
1887	217,286,893		118,823,391	35,292,993	371,403,277	371,403,277
1888	219,091,174		124,296,872	35,878,029	379,266,075	379,266,075
1889	223,832,742		130,881,514	32,335,803	387,050,059	387,050,059
1890	229,668,585		142,606,706	30,805,693	403,080,984	403,080,984
1891	219,522,205		145,686,250	27,403,992	392,612,447	392,612,447
1892	177,452,964		153,971,072	23,513,748	354,937,784	354,937,784
1893	203,355,017		161,027,624	21,436,988	385,819,629	385,819,629
1894	131,818,631		147,111,233	27,425,552	306,355,316	306,355,316
1895	152,158,617	77,131	143,344,541	29,149,130	324,729,419	324,729,419
1896	160,021,752		146,762,865	31,357,830	338,142,447	338,142,447
1897	176,554,127		146,688,574	24,479,004	347,721,705	347,721,705
1898	149,575,062		170,900,642	84,845,631	405,321,335	405,321,335
1899	206,128,482		273,437,162	36,394,977	515,960,621	515,960,621
1900	233,164,871		295,327,927	38,748,054	567,240,852	567,240,852
1901	238,585,456		307,180,664	41,919,218	587,685,338	587,685,338
1902	254,444,708		271,880,122	36,153,403	562,478,233	562,478,233
1903	284,479,582		230,810,124	46,591,016	561,880,722	561,880,722
1904	261,274,565		232,904,119	46,908,401	541,087,085	541,087,085
1905	261,798,857		234,095,741	48,380,087	544,274,685	544,274,685
1906	300,251,878		249,150,213	45,582,355	594,984,446	594,984,446
1907	332,233,363		269,666,773	63,960,250	665,860,386	665,860,386
1908	286,113,130		251,711,127	64,037,650	601,861,907	601,861,907
1909	300,711,934		246,212,644	57,395,920	604,320,498	604,320,498
1910	333,683,445	20,951,781	268,981,738	51,894,751	675,511,715	675,511,715
1911	414,497,071	33,516,977	289,012,224	64,806,639	701,832,911	701,832,911
1912	311,321,672	28,583,304	293,028,896	59,675,332	692,609,204	692,609,204
1913	318,891,396	35,006,300	309,410,666	60,802,868	724,111,230	724,111,230
1914	292,320,014	71,381,275	308,659,733	62,312,145	734,673,167	734,673,167
1915	209,786,672	80,201,759	335,467,887	72,454,509	697,910,827	697,910,827
1916	213,185,846	124,937,253	387,764,776	56,466,673	782,534,548	782,534,548
1917	225,962,393	359,681,228	449,684,980	88,996,194	1,124,324,795	1,124,324,795
1918	179,998,385	2,314,006,292	872,028,020	298,550,168	3,664,582,865	3,664,582,865
1919	184,457,867	3,018,783,687	1,296,501,292	652,514,290	5,152,257,136	5,152,257,136
1920	322,902,650	3,944,949,288	1,460,082,287	966,631,164	6,694,565,389	6,694,565,389
1921	308,564,391	3,206,046,158	1,390,379,823	719,942,589	5,624,932,961	5,624,932,961
1922	356,443,387	2,068,128,193	1,145,125,064	539,407,507	4,109,104,151	4,109,104,151
1923	561,928,867	1,678,607,428	945,865,333	820,733,853	4,007,135,481	4,007,135,481
1924	545,637,504	1,842,144,418	953,012,618	671,250,162	4,012,044,702	4,012,044,702

Footnotes at end of table.

fiscal years 1789-1949 ¹-Continued

Expenditures					Surplus, or deficit (-) ²
Department of the Army (formerly War Department) ^{3,6}	Department of the Navy ⁵	Interest on the public debt	All other ^{7,8}	Total expend- itures ^{3,5}	
\$19,261,774	\$12,747,977	\$1,678,265	\$34,107,692	\$67,795,708	\$1,169,605
25,485,383	13,984,551	1,567,056	33,148,280	74,185,270	-27,529,904
23,243,823	14,642,990	2,638,464	28,545,700	69,070,977	-15,584,512
16,409,767	11,514,965	3,177,315	32,028,551	63,130,598	-7,065,990
22,981,150	12,420,888	4,000,174	27,144,433	66,546,645	-25,036,714
394,368,407	42,668,277	13,190,325	24,534,810	474,761,819	-422,774,363
599,298,601	63,221,964	24,729,847	27,490,313	714,740,725	-602,043,434
690,791,843	85,725,995	53,685,422	35,119,382	865,322,642	-600,695,871
1,031,323,361	122,612,945	77,397,712	66,221,206	1,297,555,224	-963,840,619
284,449,702	43,324,118	133,067,742	59,967,855	520,809,417	37,223,203
95,224,415	31,034,011	143,781,592	87,502,627	357,542,675	133,091,335
123,246,648	25,775,503	140,424,046	87,894,088	377,340,285	28,297,798
78,501,991	20,000,758	130,694,243	93,668,256	322,865,278	48,078,469
57,655,676	21,780,230	129,235,498	100,982,157	309,653,561	101,601,916
35,799,992	19,431,027	125,576,566	111,369,603	292,177,188	91,146,757
35,372,157	21,249,810	117,357,840	103,538,156	277,517,963	96,588,905
46,323,138	23,526,257	104,750,688	115,745,162	290,345,245	43,392,960
42,313,927	30,932,587	107,119,815	122,267,544	302,633,873	2,344,883
41,120,646	21,497,626	103,093,545	108,911,576	274,623,393	13,376,658
38,070,889	18,963,310	100,243,271	107,823,615	265,101,085	28,994,780
37,082,736	14,959,935	97,124,512	92,167,292	241,334,475	40,071,944
32,154,148	17,365,301	102,500,875	84,944,003	236,964,327	20,799,552
40,425,661	15,125,127	105,327,949	106,069,147	266,947,884	6,879,301
38,116,916	13,536,985	95,757,575	120,231,482	267,642,958	65,883,653
40,466,461	15,686,672	82,508,741	122,051,014	260,712,888	100,069,405
43,570,494	15,032,046	71,077,207	128,301,693	257,981,440	145,543,810
48,911,383	15,283,437	59,160,131	142,053,187	265,408,138	132,879,444
39,429,603	17,292,601	54,578,379	132,825,661	244,126,244	104,393,626
42,670,578	16,021,080	51,386,256	150,149,021	260,296,935	63,463,771
34,324,153	13,907,888	50,580,146	143,670,952	242,483,139	93,956,587
38,561,026	15,141,127	47,741,577	166,488,451	267,932,181	103,471,096
38,522,436	16,926,438	44,715,007	167,760,920	267,924,801	111,341,274
44,435,271	21,378,809	41,001,484	192,473,414	299,288,978	87,761,081
44,582,838	22,006,206	36,099,284	215,352,383	318,040,711	85,040,273
48,720,065	26,113,896	37,547,135	253,392,808	365,773,904	26,838,543
46,895,456	29,174,139	23,378,116	245,575,620	345,023,331	9,914,453
49,641,773	30,136,084	27,264,392	276,435,704	383,477,953	2,341,676
54,567,930	31,701,294	27,841,406	253,414,651	367,525,281	-61,169,965
51,804,759	28,797,796	30,978,030	244,614,713	356,195,298	-31,465,879
50,830,921	27,147,732	35,385,029	238,815,764	352,179,446	-14,036,999
48,950,268	34,561,546	37,791,110	244,471,235	365,774,159	-18,052,454
91,992,000	58,823,985	37,585,056	254,967,542	443,368,583	-38,047,248
229,841,254	63,942,104	39,896,925	271,391,896	605,072,179	-89,111,558
134,774,768	55,953,078	40,160,333	289,972,668	520,860,847	46,380,005
144,615,697	60,506,978	32,342,979	287,151,271	524,616,925	63,068,413
112,272,216	67,803,128	29,108,045	276,050,860	485,234,249	77,243,984
118,629,505	82,618,034	28,556,349	287,202,239	517,006,127	44,874,595
165,199,911	102,956,102	24,646,490	299,897,397	583,659,907	-42,572,815
126,093,894	117,550,308	24,590,944	299,043,768	567,278,914	-23,004,229
137,326,066	110,474,264	24,308,576	298,093,372	570,202,278	24,782,168
149,775,084	97,128,469	24,481,158	307,744,131	579,128,842	86,731,544
175,840,453	118,037,097	21,426,138	343,892,632	659,196,320	-57,334,413
192,486,904	115,546,011	21,803,836	363,907,134	693,743,885	-89,423,387
189,823,379	123,173,717	21,342,979	359,276,990	693,617,065	-18,105,350
197,199,491	119,937,644	21,311,334	352,753,043	691,201,512	10,631,399
184,122,793	135,591,956	22,616,300	347,550,285	689,881,334	2,727,870
202,128,711	133,262,862	22,899,108	366,221,282	724,511,963	-400,733
208,349,746	139,682,186	22,863,957	364,185,542	735,081,431	-408,264
202,160,134	141,835,654	22,902,897	393,688,117	760,586,802	-62,675,975
183,176,439	153,853,567	22,900,869	374,125,327	734,056,202	48,478,346
377,940,870	239,632,757	24,742,702	1,335,365,422	1,977,681,751	-853,356,956
4,869,955,286	1,278,840,487	189,743,277	6,358,163,421	12,696,702,471	-9,032,119,606
9,009,075,789	2,002,310,785	619,215,569	6,884,277,812	18,514,879,955	-13,362,622,819
1,621,953,095	736,021,456	1,020,251,622	3,025,117,668	6,403,343,841	291,221,548
1,118,076,423	650,373,836	999,144,731	2,348,332,700	5,115,927,690	599,005,271
457,756,139	476,775,194	991,000,759	1,447,075,808	3,372,607,900	736,496,251
397,050,596	333,201,362	1,055,923,690	1,508,451,881	3,294,627,529	712,507,952
357,016,878	332,249,137	940,602,913	1,418,809,037	3,048,677,965	963,366,737

TABLE 2.—*Receipts and expenditures,*

Year	Receipts				
	Customs (including tonnage tax) ⁹	Internal revenue		Other receipts ²	Total receipts ³
		Income and profits taxes	Other		
1925.....	\$547,561,226	\$1,760,537,824	\$828,638,068	\$643,411,567	\$3,780,148,685
1926.....	579,430,093	1,982,040,088	855,599,289	545,686,220	3,962,755,690
1927.....	605,499,983	2,224,992,800	644,421,542	654,480,116	4,129,394,441
1928.....	568,986,188	2,173,952,557	621,018,666	678,390,745	4,042,348,156
1929.....	602,262,786	2,330,711,823	607,307,549	492,968,067	4,033,250,225
1930.....	587,000,903	2,410,986,978	628,308,036	551,645,785	4,177,941,702
1931.....	378,354,005	1,860,394,295	569,386,721	381,503,611	3,115,556,923
1932.....	327,754,969	1,057,335,853	503,670,481	116,964,134	2,005,725,437
1933.....	250,750,251	746,206,445	858,217,512	224,522,534	2,079,696,742
1934.....	313,434,302	817,961,481	1,822,642,347	161,515,919	3,115,554,050
1935.....	343,353,034	1,099,118,638	2,178,571,390	179,424,141	3,800,467,202
1936.....	386,811,594	1,426,575,434	2,086,276,174	216,293,412	4,115,956,615
1937.....	486,356,599	2,163,413,817	2,433,726,286	210,093,535	5,293,590,237
1938.....	359,187,249	2,640,284,711	3,034,033,796	208,155,541	6,241,661,227
1939.....	318,837,311	2,188,757,289	2,972,463,558	187,765,468	5,667,823,626
1940.....	348,590,636	2,125,324,635	3,177,809,353	241,643,315	5,863,367,939
1941.....	391,870,013	3,469,637,849	3,892,037,133	242,066,585	7,995,611,580
1942.....	388,948,427	7,960,464,973	5,032,652,915	294,614,145	13,676,680,460
1943.....	324,290,778	16,093,668,781	6,050,300,218	934,062,619	23,402,322,396
1944.....	431,252,168	34,654,851,852	7,030,135,478	3,324,809,903	45,441,049,402
1945.....	354,775,542	35,173,051,373	8,728,950,555	3,493,528,901	47,750,366,371
1946.....	435,475,072	30,884,796,016	9,425,537,282	3,492,326,920	44,238,135,290
1947.....	494,078,260	29,305,568,454	10,073,840,241	4,634,701,652	44,508,188,607
1948 ¹¹	421,723,028	31,170,968,403	10,682,516,849	3,823,599,033	46,098,807,314
1949 ¹¹	384,484,796	29,482,283,759	10,825,001,116	2,081,735,850	42,773,505,520

NOTE.—For postal receipts and expenditures, see table 9.

¹ From 1789 to 1842 the fiscal year ended Dec. 31; from 1844 to date, on June 30. Figures for 1843 are for a half year, Jan. 1 to June 30.

² Comprises railroad unemployment insurance contributions, proceeds of Government-owned securities, Panama Canal tolls, etc., proceeds from sales of surplus property (act Oct. 3, 1944), deposits resulting from renegotiation of war contracts (see table 5), seigniorage, and other miscellaneous.

³ Effective Jan. 3, 1949, amounts refunded by the Government, principally for the overpayment of taxes, are being reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, have been excluded in reporting both budget receipts and expenditures. Neither of these changes affects the size of the budget surplus or deficit. Prior year figures, beginning with the fiscal year 1931, have been adjusted accordingly for comparative purposes. The amounts that have been adjusted on account of refunds of receipts and capital transfers for the fiscal years 1931 through 1949 are as follows:

	<i>Refunds of receipts</i>	<i>Capital transfers</i>		<i>Refunds of receipts</i>	<i>Capital transfers</i>
1931.....	\$74,081,709	.....	1941.....	\$80,189,469	\$299,741,000
1932.....	81,812,320	.....	1942.....	84,775,537	18,000,000
1933.....	58,483,799	.....	1943.....	70,325,408	9,815,514
1934.....	51,286,158	.....	1944.....	257,254,269	.....
1935.....	70,553,357	.....	1945.....	1,678,777,924	16,167,609
1936.....	47,019,926	.....	1946.....	2,973,027,879	37,881,965
1937.....	49,989,542	\$250,000	1947.....	3,006,090,396	210,136,503
1938.....	52,475,591	.....	1948.....	2,271,874,777	262,896,807
1939.....	61,426,683	.....	1949.....	2,837,542,006	.....
1940.....	78,704,895	43,756,731			

⁴ Net receipts equal total receipts less (a) appropriations to Federal old-age and survivors insurance trust fund beginning with the fiscal year 1937 and (b) refunds of receipts beginning with the fiscal year 1931.

fiscal years 1789-1949 ¹—Continued

Expenditures						Surplus, or deficit (—) ⁴
Department of the Army (formerly War Department) ^{5,6}	Department of the Navy ⁵	Department of the Air Force ¹⁰	Interest on the public debt	All other ^{7,8}	Total expenditures ^{9,5}	
\$370,980,708	\$346,142,001	-----	\$881,806,662	\$1,461,175,961	\$3,063,105,332	\$717,043,353
364,089,945	312,743,410	-----	831,937,700	1,588,810,768	3,097,611,823	865,143,867
369,114,122	318,909,096	-----	787,019,578	1,498,986,878	2,974,029,674	1,155,364,766
400,989,683	331,335,492	-----	731,764,476	1,639,175,204	3,103,264,855	939,083,301
425,947,194	364,561,544	-----	678,330,400	1,830,020,348	3,298,859,486	734,390,739
464,853,515	374,165,639	-----	659,347,613	1,941,902,117	3,440,268,884	737,672,818
478,418,974	354,071,004	-----	611,559,704	2,133,384,321	3,577,434,003	—461,877,080
476,305,311	357,517,834	-----	599,276,631	3,226,103,049	4,659,202,825	—2,735,289,708
434,620,860	349,372,794	-----	689,365,106	3,149,506,267	4,622,865,028	—2,601,652,085
408,586,783	296,927,490	-----	756,617,127	5,231,768,454	6,693,899,854	—3,629,631,943
487,995,220	436,265,532	-----	820,926,353	4,775,778,841	6,520,965,945	—2,791,052,100
3,938,943,048	528,882,143	-----	749,396,802	6,596,619,790	8,493,485,919	—4,424,549,230
628,104,285	556,674,066	-----	866,384,331	5,704,858,728	7,756,021,409	—2,777,420,714
644,262,452	596,129,739	-----	926,280,714	4,812,127,938	6,978,802,234	—1,176,616,598
695,256,481	672,722,327	-----	940,539,764	6,657,036,411	8,965,554,983	—3,862,158,040
907,160,151	891,484,523	-----	1,040,935,697	6,343,101,833	9,182,682,204	—3,918,019,161
3,938,943,048	2,313,057,956	-----	1,110,692,812	6,023,859,926	13,386,553,742	—6,159,272,358
14,325,508,098	8,579,588,976	-----	1,260,085,336	10,021,316,406	34,186,528,816	—21,490,242,732
42,525,562,523	20,888,349,026	-----	1,808,160,396	14,399,860,208	79,621,932,152	—57,420,430,365
49,438,330,158	26,537,623,877	-----	2,608,979,806	16,730,121,400	95,315,065,241	—51,423,392,541
50,490,101,935	30,047,152,135	-----	3,616,686,048	14,548,585,054	98,702,525,172	—53,940,916,126
27,986,769,041	15,160,754,034	-----	4,721,957,683	12,833,578,815	60,703,059,573	—20,676,170,609
9,172,138,869	5,597,203,036	-----	4,957,922,484	19,561,554,240	39,288,818,630	753,787,660
7,698,556,403	4,284,619,125	-----	5,211,101,865	16,597,023,255	33,791,300,649	8,419,469,844
7,855,871,759	4,434,297,947	\$1,630,460,724	5,339,396,336	20,737,081,093	40,057,107,858	—1,811,440,048

⁵ Excludes civil expenditures under War and Navy Departments in Washington through 1915. Subsequent to 1915 includes all expenditures made by the Department of the Army (including rivers and harbors and Panama Canal) and the Department of the Navy.

⁶ Title was changed pursuant to act of July 26, 1947. Figures for Department of the Army include expenditures of Department of the Air Force from funds made available prior to fiscal year 1949. Expenditures for Office of the Secretary of Defense are included in "All other."

⁷ Includes civil expenditures under War and Navy Departments in Washington through 1915; expenditures of Office of Secretary of Defense; unavailable funds charged off under act of June 3, 1922 (42 Stat. 1592); and expenditures for "Government corporations (wholly owned), etc. (net)" for 1932-49.

⁸ The practice of including statutory debt retirements in budget expenditures was discontinued effective with fiscal year 1948. Such expenditures are not included in this table, nor does the "Surplus or deficit" take into account such expenditures. Table 25 shows details of statutory debt retirements.

⁹ Beginning with 1932, tonnage tax has been covered into Treasury as miscellaneous receipts included in "Other receipts."

¹⁰ Expenditures for the Department of the Air Force formerly included under Department of the Army.

¹¹ Sec. 114 (f) of the Economic Cooperation Act of 1948, approved Apr. 3, 1948, required that the sum of \$3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948, for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of \$3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of \$3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to sec. 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

	Fiscal year 1948	Fiscal year 1949
Budget receipts	\$42,210,770,493	\$38,245,667,810
Budget expenditures	36,791,300,649	37,057,107,858
Budget surplus	5,419,469,844	1,188,559,952

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1949 and totals for 1948 and 1949*
[On basis of daily Treasury statements, see p. 351]

Receipts	Fiscal year 1949						
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949
Internal revenue:							
Income tax:							
Withheld by employers.....	\$335,176,088.38	\$1,165,042,516.89	\$693,861,375.20	\$536,662,947.64	\$1,198,161,075.53	\$714,277,623.68	\$609,121,807.83
Other.....	718,637,941.10	403,216,232.31	2,938,618,136.17	643,176,141.91	384,583,485.97	2,328,033,372.79	2,132,467,967.38
Miscellaneous internal revenue.....	676,869,531.34	742,108,684.74	675,574,198.26	708,476,781.20	767,623,751.52	701,740,514.94	637,558,773.41
Social security taxes:							
Employment taxes.....	63,057,385.20	379,573,448.06	7,967,860.81	58,804,138.98	357,616,627.03	7,062,439.80	38,039,043.38
Tax on employers of 8 or more.....	1,587,770.63	12,923,890.09	242,144.41	1,683,256.30	12,336,015.88	1,531,048.55	14,492,300.88
Taxes upon carriers and their employees.....	2,378,082.71	17,161,351.96	121,631,922.94	4,649,010.76	14,050,231.95	125,841,908.30	1,201,029.42
Railroad unemployment insurance contributions							
for administrative expenses.....	470.31	2,327.82	4,784.43	1,079.88	2,394,503.24	105.63	2,563,375.80
Customs.....	30,546,770.59	33,571,201.41	35,314,976.39	36,302,671.53	32,729,850.57	38,072,802.81	30,219,143.77
Surplus property (act Oct. 3, 1944):							
Proceeds from sales.....	71,062,921.91	51,249,879.89	40,211,869.33	32,407,302.77	26,017,774.72	31,562,407.82	23,949,329.35
Other.....	1,808.62	6,852.99	2,031.37	8,779.59	25,536.10	12,507.23	8,471.68
Unclassified.....	727.09	a 724,872.96	724,126.91	a 85,118.90	85,446.85	a 303.70	a 85,737.53
Other miscellaneous receipts:							
Proceeds of Government-owned securities:							
Principal—foreign obligations.....							
Interest—foreign obligations.....							
Other.....	21,733,005.39	67,837,802.53	17,765,159.02	a 12,468,163.02	20,977,266.17	154,274.14	40,937,118.91
Panama Canal tolls, etc.....	1,576,651.37	1,963,414.31	1,365,233.87	3,640,870.64	1,380,383.31	1,927,502.79	2,080,885.06
Seigniorage.....	2,612,799.24	5,478,238.58	3,999,212.13	5,138,725.95	4,627,969.59	5,912,296.76	3,356,443.03
Other 1.....	174,273,994.49	a 69,061,466.47	59,447,603.89	120,511,340.37	118,397,570.93	83,922,187.63	119,459,309.86
Total budget receipts.....	2,299,513,948.37	2,948,472,435.09	4,596,730,655.13	2,198,909,765.60	2,941,007,489.36	4,061,941,539.43	3,675,369,262.23
Deduct:							
Appropriation to Federal old-age and sur-							
vivors insurance trust fund 2.....	63,057,385.20	379,573,448.06	7,967,860.81	58,804,138.98	357,616,627.03	7,062,439.80	38,039,043.38
Refunds of receipts: 4.....							
Customs refunds and drawbacks.....	1,166,182.49	1,243,011.25	1,476,845.25	1,282,125.20	1,482,167.83	1,384,378.17	1,201,978.72
Internal revenue:							
Excess profits tax bonds.....	a 368,916.38	a 305,199.60	a 16,123.32	a 601,329.01	a 195,273.57	a 11,125.78	a 1,388,550.66
Income and other taxes.....	139,148,396.47	63,170,747.28	43,983,470.86	38,543,714.05	41,753,169.43	39,626,749.86	57,773,350.62
Monies erroneously received and covered	147,987.06	127,472.75	89,200.14	86,916.59	207,067.11	27,771.15	15,954.29
Under renegotiated contracts.....	74,398.48	47,945.50	283,252.31	a 393.66	167,274.33	122,739.75	410,607.75
Unclassified.....	562.00	a 19,961.54	19,610.96	550.34	a 197.51	a 2.25	65.10
Net budget receipts 4.....	2,096,287,953.05	2,504,634,971.39	4,542,906,538.12	2,100,794,043.11	2,539,976,054.71	4,013,728,588.73	3,579,316,812.73

	Fiscal year 1949					Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949		
Receipts							
Internal revenue:							
Income tax:							
Withheld by employers.....	\$1,276,242,505.97	\$757,455,859.39	\$561,633,556.98	\$1,119,441,571.67	\$674,464,250.93	\$9,841,541,180.09	\$11,436,102,899.58
Other.....	1,414,115,138.68	4,342,068,524.45	746,561,209.13	424,240,432.55	3,145,023,976.12	19,640,742,578.56	19,734,865,503.01
Miscellaneous internal revenue.....	634,287,702.97	720,411,673.07	643,963,865.28	653,767,407.64	703,640,047.09	8,348,022,991.46	8,301,375,367.16
Social security taxes:							
Employment taxes.....	279,829,441.75	25,937,179.68	75,191,341.72	391,410,982.35	5,805,815.82	1,690,295,704.58	1,616,102,043.92
Tax on employers of 8 or more.....	152,733,806.04	9,032,258.97	3,098,184.93	11,423,184.31	1,717,854.28	222,849,686.49	207,918,656.49
Taxes upon carriers and their employees.....	5,578,396.81	132,751,923.96	2,369,561.64	6,909,581.63	129,369,723.00	563,852,724.48	557,060,781.88
Railroad unemployment insurance contributions for administrative expenses.....	7,656.06	2,484,477.76	2,256.82	4,581.83	2,273,675.76	9,739,295.34	14,514,604.84
Customs.....	29,090,585.12	33,724,419.21	28,963,517.37	27,961,653.54	27,987,203.35	384,484,795.66	421,723,028.07
Surplus property (act Oct. 3, 1944):							
Proceeds from sales.....	44,587,010.39	32,012,752.65	103,423,345.46	21,896,252.70	111,047,260.04	589,438,107.03	1,928,745,823.24
Other.....	21,415.77	4,063.44	10,335.65	3,057.90	166.66	105,027.00	16,581.79
Unclassified.....	81,373.49	4,006.36	a 7,029.31	8,014.19	• 465,663.15	a 465,030.66	7,794.81
Other miscellaneous receipts:							
Proceeds of Government-owned securities:							
Principal—foreign obligations.....							
Interest—foreign obligations.....							
Other.....	17,345,176.37	10,448,491.90	5,480.65	9,024.08	152,398.16	117,922.18	113,673.91
Panama Canal tolls, etc.....	1,732,034.55	1,592,434.32	7,033,590.96	2,039,492.59	34,067,769.67	312,152.95	310,350.57
Seigniorage.....	2,006,311.13	3,878,276.05	1,994,403.73	2,280,118.17	1,879,274.80	23,413,206.92	7,585,801,716.19
Other 1.....	56,989,779.98	60,836,054.42	3,034,790.40	3,667,525.84	2,190,101.14	45,902,659.84	33,347,424.06
			128,229,523.32	83,597,014.92	88,927,970.78	1,163,653,817.06	36,898,237.18
Total budget receipts.....	3,934,708,395.08	6,132,642,395.63	2,305,507,434.73	2,730,670,871.23	4,928,030,828.53	42,773,505,520.41	46,098,807,313.84
Deduct:							
Appropriation to Federal old-age and survivors insurance trust fund 3.....	279,829,441.75	25,937,179.68	75,191,341.72	391,410,982.35	5,805,815.82	1,690,295,704.58	1,616,102,043.92
Refunds of receipts: 4							
Customs refunds and drawbacks.....	1,478,609.84	1,591,394.52	a 1,856,834.28	1,361,923.19	1,647,735.51	17,173,186.25	19,050,115.19
Internal revenue:							
Excess profits tax bonds.....	b 63,354.04	a 274,153.64	b 79,432.98	a 35,193.08	b 800,325.10	a 4,139,477.16	b 3,432,371.06
Income and other taxes.....	271,229,581.62	671,078,855.45	888,233,731.14	412,586,212.91	154,004,810.22	2,821,144,790.21	2,253,823,754.34
Monies erroneously received and covered.....	20,807.16	a 2,029.83	154,022.73	449,230.87	1,325,000.02	949,310.46	2,223,823,754.34
Under renegotiated contracts.....	798,065.68	b 438,692.16	540,379.70	23,435.67	1,964.18	2,040,977.53	1,484,800.42
Unclassified.....	b 10,964.92	10,899.82	102.91	431.85	b 3,587.89	b 2,471.13	b 832.11
Net budget receipts 4.....	3,381,426,207.99	5,434,736,911.96	1,339,765,507.79	1,945,109,035.61	4,766,925,184.92	38,245,667,810.11	42,210,770,492.68

Footnotes at end of table.

Expenditures ^a	Fiscal year 1949					Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949		
Legislative establishment.....	\$2,371,031.42	\$4,335,871.61	\$3,534,602.47	\$4,537,590.77	\$4,707,794.01	\$46,344,587.84	\$43,390,625.28
The Judiciary.....	1,487,596.52	2,061,117.93	1,769,615.64	1,788,645.56	1,564,991.29	20,751,049.32	19,546,075.23
Agriculture Department:							
Farmers' Home Administration:							
Disaster loans and grants.....	64,374.68	257,811.62	261,429.31	109,379.54	80,650.91	2,880,943.09	52,400,917.97
Farmers' crop loans, etc.....	€ 130.69	€ 1,397.06	€ 463.54	€ 497.25	€ 3,559.26	€ 3,559.26	€ 3,559.26
Farm tenancy.....	213,634.75	52,407.06	87,112.29	317,096.45	87,750.72	1,619,444.34	16,388,360.44
Loans, rehabilitation and other.....	14,202,780.00	10,052,587.39	5,239,897.30	4,094,883.45	3,469,030.08	120,360,111.54	44,427,436.03
Other.....	€ 1,577.24	€ 4,129.90	€ 2,977.79	€ 3,898.02	€ 18,660.21	€ 58,646.93	1,057,403.29
Unclassified.....		€ 87.25	87.25			€ 12,233.59	€ 12,233.59
Production and Marketing Administration:							
Commodity Credit Corporation.....	50,702,800.11	157,550,213.70	\$6,460,602.77	372,189,447.50	90,044,367.97	1,627,919,484.02	€ 101,025,140.17
Administration of Sugar Act of 1937.....	10,083,713.98	5,477,641.58	4,483,449.74	3,110,593.06	856,335.38	56,009,104.06	60,441,766.04
Conservation and use of agricultural land resources.....	8,003,068.89	18,009,765.74	24,437,388.08	24,294,187.08	13,038,412.40	152,800,995.91	214,305,803.69
Exportation and domestic consumption of agricultural commodities.....	14,112,898.99	11,602,219.15	19,895,026.92	6,757,113.93	4,966,106.04	150,380,410.30	123,642,837.94
Local administration, sec. 388, Agricultural Adjustment Act of 1938.....	346,782.41	1,148,623.95	2,814,681.82	3,067,842.84	4,733,825.00	26,798,925.35	18,791,159.37
National-State expenses, sec. 392, Agricultural Adjustment Act of 1938.....	€ 198,410.92	€ 107,495.95	846,669.26	687,999.09	885,307.87	7,407,145.01	6,579,143.55
Party Payments and Price Adjustment Act of 1938.....	183.40	27,456.86	9,960.17	44.57	7,582.62	73,265.49	€ 216,351.06
Salaries and expenses, Marketing Service.....	830,446.74	1,019,917.10	726,259.92	720,823.31	622,054.56	9,982,583.08	9,213,368.05
Other.....	256,080.34	€ 171,370.22	21,044.86	72,624.55	6,309.59	€ 192,729.04	37,586.90
Unclassified.....	€ 58.75	63.53	€ 44.75		€ 46,208.23	€ 46,154.47	€ 53.75
Rural Electrification Administration:							
Loans.....	24,535,586.63	28,624,884.70	28,737,208.64	33,891,957.75	29,758,269.80	324,810,865.39	246,301,559.31
Other.....	496,436.70	699,329.16	489,638.49	493,184.08	490,534.41	5,824,630.08	4,780,665.09
Farm Credit Administration and agencies:							
Farm Crop loans.....							
Capital stock.....							
Federal Farm Mortgage Corporation:							
Other.....	€ 1,474,909.53	€ 2,231,430.41	€ 1,461,409.68	€ 1,553,221.93	€ 1,704,761.52	€ 26,380,311.70	€ 990,000.00
Production credit corporations.....	€ 320,000.00	€ 660,442.58	€ 975,650.43	€ 20,284,366.78	€ 10,699,950.84	€ 35,301,006.52	€ 11,098,969.24
Other.....	302,387.37	325,162.03	1,148,012.62	€ 762,238.90	902,406.88	3,930,951.45	€ 3,954,137.46
Federal Crop Insurance Act:							
Administrative expenses.....	231,907.79	372,873.93	282,805.71	265,187.96	584,537.06	3,991,332.42	4,424,994.01
Federal Crop Insurance Corporation.....	€ 408,837.92	€ 631,051.19	€ 207,923.23	655,435.58	€ 163,087.44	€ 8,243,396.15	€ 4,406,490.81
Forest roads and trails.....	641,859.07	727,779.34	773,888.35	1,084,726.80	1,284,744.47	25,234,028.90	20,889,897.34

Footnotes at end of table.

TABLE 3.—Budget receipts and expenditures, in detail, monthly for fiscal year 1949 and totals† or 1948 and 1949—Continued

Expenditures¹	Fiscal year 1949					
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948
Agriculture Department—Continued						
Foreign aid and relief:						
Assistance to Greece and Turkey	\$1,509,940.72	\$386,429.72	€ 87,170.69	€ \$206,561.38	\$1,832.39	€ \$1,978.61
China Aid Act of 1948	6,465,307.26	1,193,060.15	2,401,290.14	5,683,986.65	2,193,205.55	7,096,491.23
Foreign Aid Act of 1947	11,654,117.02	1,089,918.83	506,160.55	5,012.30	21,237.65	5,497.49
Relief to people of countries devastated by war	975,928.06	€ 669.71	34,209.05	2,954.51	€ 1,752.30	14,638.46
Payments for United Nations relief and rehabilitation	10,606.90	7,485.02	3,324.39	€ 106,671.43	58,018.41	
Surplus property disposal	83,056.10	40,800.99	85,137.27	47,188.73	52,492.14	79,830.90
Other	37,188,911.65	13,633,546.71	15,665,265.94	22,307,010.52	15,760,794.46	1,838,448.12
Unclassified	153,650.61	€ 83,604.23	75,263.58	€ 75,092.10	€ 4,691.50	403,094.00
Atomic Energy Commission	82,472,899.32	46,218,537.98	56,474,511.13	39,342,172.18	57,642,132.49	60,407,579.20
Civil Service Commission:						
Employees' retirement funds (United States share):						
Alaska Railroad retirement fund	217,000.00					
Canal Zone retirement fund	1,177,000.00					
Civil service retirement fund	224,000,000.00					
Other	1,509,978.72	2,149,505.46	1,414,520.85	1,422,108.58	1,476,156.15	1,495,208.19
Commerce Department:						
Civil aeronautics	12,654,364.72	12,143,969.72	12,207,857.88	15,704,086.92	12,917,695.55	12,403,430.25
Surplus property disposal	28,745.17	2,294.79	633.02	1,085.86	612.14	386.68
Other	6,573,451.56	6,416,252.24	7,134,270.69	7,740,029.77	5,482,496.53	7,505,497.54
Unclassified	23,130.89	€ 23,063.01	€ 100.98	5.10	€ 5.10	5.28
Economic Cooperation Administration: 11						
Economic cooperation Act:						
Agriculture Department	54,001,716.46	28,880,215.24	6,872,393.76	60,044,452.75	55,209,631.57	27,980,638.72
Commerce Department						
Economic Cooperation Administration	128,448,464.39	162,271,097.30	172,645,508.42	159,199,738.36	249,192,641.25	463,521,419.47
Export-Import Bank of Washington:						
Loans		1,000,000.00	263,700.08	204,156.91	168,024.73	244,445.69
Payments under guarantees						
Federal Security Agency						
Federal Works Agency						
Labor Department						
National Military Establishment:						
Department of the Army		1,087,243.11	6,583,247.39	6,242,333.20	7,671.00	5,288.61
Department of the Navy			255,312.47		40,613,790.50	6,792,789.97
State Department			9,960,000.00		1,540,618.95	311,789.08
Treasury Department	280,818.14	205,993.62	101,035.46	9.92	65,000.00	€ 4.91
Unclassified	€ 14,618.91	€ 60,381.09		480,828.45	358,574.98	302,093.07
Assistance to Greece and Turkey						
China Aid Act of 1948	19,243.97	28,224,817.93	25,530,151.07	343,374.27	15,167,889.94	397,199.46
						388,638.49

Expenditures ^a	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
Agriculture Department—Continued						
Foreign aid and relief:						
Assistance to Greece and Turkey	\$189.63	• \$22,286.41	\$2.95	\$22,301.62		\$1,698,896.52
China Aid Act of 1948	12,572,151.74	1,927,428.47	4,124,796.33	7,912,885.89	5,704,790.86	60,671,383.21
Foreign Aid Act of 1947	• 512.36		1,190.59	5,722.94	1,595.39	241,739,447.64
Relief to people of countries devastated by wars:						
Payments for United Nations relief and rehabilitation	• 12,945.68	• 401.26	61.46			1,012,022.59
Surplus property disposal:						
Other	• 10,397.91	36,969.35	43,788.86	5,215.68	92,956.09	81,637,224.39
Unclassified	77,663.80	30,079,327.31	16,129,950.26	10,552,842.78	23,047,978.26	1,189,850.15
Atomic Energy Commission:	14,613,431.76	13.89	27.00	• 33.60		235,841,018.18
Civil Service Commission:	52,762,071.29	65,134,882.04	48,509,116.04	44,812,935.18	43,437,045.32	• 1,152,282.62
Employees' retirement funds (United States share):						647,331,951.17
Alaska Railroad retirement fund.						455,769,308.24
Canal Zone retirement fund.						
Civil service retirement fund.	1,416,975.32	2,061,397.64	1,437,029.81	1,437,399.75	1,438,179.79	217,000.00
Other:						217,000.00
Commerce Department:						1,177,000.00
Civil aeronautics	11,280,632.23	12,714,988.28	14,572,107.39	12,000,749.34	12,846,625.61	1,177,000.00
Surplus property disposal	98.14	19.20	79.93	58.28	565.79	244,000,000.00
Other:	4,546,478.75	7,687,022.87	9,659,575.33	7,018,751.93	8,968,362.86	18,650,021.25
Unclassified	• 5.28			• 209.00	209.00	15,013,716.30
Economic Cooperation Administration: ^u						
Economic Cooperation Act:						
Agriculture Department	61,721,295.66	74,040,255.09	88,399,216.14	44,922,904.80	84,785,084.64	629,284,383.26
Commerce Department	3,587.74	1,549.59	24,326.17	13,947.15	16,521.31	41,633,304.08
Economic Cooperation Administration:	263,627,116.45	• 55,359,457.26	302,625,261.69	222,843,147.86	246,051,146.47	2,494,037,269.82
Export-Import Bank of Washington:						
Loans	44,800,000.00	377,839,138.94	6,700,000.00	64,900,000.00	145,127,484.48	92,522,986.34
Payments under guarantees						
Federal Security Agency		3,730.00		2,392.19	• 755.90	781,946,950.83
Federal Works Agency			3,478.05	5,052.38	19,141.07	1,636.29
Labor Department					22.00	31,401.50
National Military Establishment:						
Department of the Army	1,877.15	172.15	13,088.26	476.16	602.60	34,510.93
Department of the Navy	58,090.71	11,093,599.99	10,769,283.00	13,304,490.31	6,525,338.85	118,721,247.65
Post Office Department	238,182.54	• 8,582.24	1,051,010.33	103,780.80	407,973.25	3,867,766.56
State Department						9,960,000.00
Treasury Department	562,574.75	119,533.08	264,709.54	1,028,831.29	325,676.12	510,214.21
Unclassified		514,120.25			155,839.05	407.13
Assistance to Greece and Turkey		1,543,210.33	571,298.12		75,000.00	
China Aid Act of 1948	7,701,245.62	11,862,366.23	9,841,858.55	10,100,966.38	877,857.19	2,114,508.45
Footnotes at end of table.						110,455,611.10

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1949 and totals for 1948 and 1949—Continued*

Expenditures *	Fiscal year 1949						
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949
Economic Cooperation Administration 11—Con.							
Foreign Aid Act of 1947.....		\$8,494,410.26	\$2,800,133.73	\$1,694,338.37		\$916,217.80	\$568,044.97
Relief to people of countries devastated by war		618,034.62	1,618,339.30	584,492.51		346,781.07	88,140.56
Other.....					\$101,859.70		
Unclassified.....			302.00	€ 302.00			
Executive Office of the President:							
Bureau of the Budget.....	\$258,740.28	351,509.88	250,185.01	247,761.01	247,641.63	234,543.29	370,376.92
Executive proper.....	106,579.51	140,833.57	115,463.00	119,284.69	109,649.30	121,028.88	143,110.58
Office for Emergency Management:							
War Assets Administration:							
Payments for United Nations relief							
and rehabilitation.....		1.64					
Surplus property disposal.....	14,333,406.33	9,909,646.94	10,099,001.54	9,543,386.01	7,164,952.69	7,154,034.70	5,989,669.18
Other.....	\$2,500.42	49,444.64	€ 79,745.97	92,683.11	15,558.73	26,511.01	98,902.95
Relief to people of countries devastated by war					12,483.98	15,113.45	
Other.....	217,298.50	305,356.04	470,796.62	212,135.17	279,524.05	270,806.69	578,175.20
Unclassified.....	€ 2,408.40	3,137.97	€ 114.59	215.57	25.30	€ 25.30	
Export-Import Bank of Washington	€ 18,696,394.37	€ 12,109,499,364.63	7,834,528.75	5,820,818.04	34,517,046.36	7,732,964.89	€ 35,249,071.06
Federal Security Agency:							
Social Security Administration:							
Administrative expenses.....	317,026.86	30,775.91	26,709.19	40,885.41	39,128.45	€ 30,781.27	6,843.04
Grants to States (social security).....	143,921,529.01	72,421,820.19	67,107,821.96	98,170,977.48	84,151,549.64	100,074,035.46	81,350,613.70
United States Employment Service.....	664,935.74	67,877.50	87,396.69	36,770.91	9,976.34	6,360.50	129,575.19
Other.....	579,016.12	4,044,213.39	1,100,691.83	574,716.04	949,860.07	964,721.94	1,014,346.19
Unclassified.....	276,815.55	€ 277,106.80	291.25	34,333.00	€ 34,333.00		
Assistance to Greece and Turkey	6,002.17	5,612.02	5,612.07	3,930.35	20,460.74	9,797.12	4,313.36
Office of Education.....		243,538.32	101,745.57	1,796,121.57	170,832.92	335,337.80	11,517,978.05
Payments for United Nations relief and							
rehabilitation.....							
Public Health Service.....	19,885,725.82	13,704,992.62	8,550,675.68	12,810,876.64	11,934,531.17	10,148,728.86	9,322,493.98
Surplus property disposal.....	28,635.31	33,212.67	17,795.57	16,597.86	15,655.18	15,945.22	6,177.44
Other.....	7,034,157.38	2,183,001.58	2,390,297.91	4,606,407.29	2,632,143.23	2,476,098.70	6,891,408.64
Unclassified.....	45,756.98	€ 45,877.23	9.50	€ 34,342.50	34,333.00	€ 384.14	376.14
Federal Works Agency:							
Public Buildings Administration:							
Construction.....	358,337.37	1,513,967.00	€ 33,355.06	667,334.41	416,603.58	716,049.12	504,631.01
Other.....	5,184,883.62	6,558,817.46	7,400,390.65	6,423,110.72	5,392,640.13	6,372,719.88	6,545,420.52
Unclassified.....	1,070.73						
Public Roads Administration:							
Assistance to Greece and Turkey.....	275,267.75	279,498.85	152,459.30	277,801.27	127,861.60	147,819.04	56,606.79
Other.....	43,129,799.57	33,494,606.91	43,728,593.74	48,652,524.99	42,989,071.11	47,126,388.70	29,122,751.65
Unclassified.....	35,315.63	€ 35,315.63					
Bureau of Community Facilities.....	1,533,715.77	2,021,520.66	1,008,547.94	703,880.68	1,364,869.88	2,660,886.45	2,051,600.33
Surplus property disposal.....	3,268.02	3,268.02	3,267.35	3,094.77	3,890.49	3,514.91	3,682.60
Other.....	395,933.24	269,593.54	538,630.00	478,554.54	600,678.80	493,742.67	93,992.56
Unclassified.....			€ 9.50	9.50			

Expenditures ^a	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
Economic Cooperation Administration U—Con.						
Foreign Aid Act of 1947.....	\$66,086.83	€ 461,146.72	\$41,780.12	€ 215,702.64	€ 233.40	\$13,844,128.32
Relief to people of countries devastated by war.....	34,266.68	46,299.27	6,324.57			€ 933.56
Other.....	43,285.50	104,962.70	144,813.51	195,101.72	1,301,636.02	€ 3,453,491.84
Unclassified.....			€ 75,086.66	€ 3,086.66		€ 75,000.00
Executive Office of the President:						
Bureau of the Budget.....	221,045.31	341,540.85	254,463.97	248,506.26	239,984.68	3,266,299.09
Executive proper.....	111,658.94	118,163.18	118,096.37	124,083.11	124,812.86	3,327,613.28
Office for Emergency Management:						
War Assets Administration:						
Payments for United Nations relief and rehabilitation.....						
Surplus property disposal.....						
Other.....	5,402,881.77	6,315,911.09	4,809,469.09	5,260,822.47	4,666,180.97	1,459,789.46
Relief to people of countries devastated by war.....	€ 32,514.38	3,378,282.82	651,883.36	60,814.96	80,467.66	96,649,822.78
Other.....	€ 6.79					4,424,796.31
Unclassified.....	€ 77,581.84	273,865.69	237,728.70	199,776.78	414,281.82	12,307,393.85
Export-Import Bank of Washington.....	€ 4,415.26	4,390.25	€ 570.63	415.97	€ 8.10	187,387.48
Federal Reserve Bank of Washington.....	7,814,361.52	19,244,494.76	5,786,303.34	6,000,100.36	8,322,692.65	1,436,689.71
Social Security Agency:						
Administrative expenses.....	3,636.05	4,821.06	€ 394.11	10,167.41	16,172.26	465,033.26
Grants to States (social security).....	139,874,174.07	54,987,787.75	57,920,391.70	140,989,375.07	44,024,163.15	1,085,100,239.18
United States Employment Service.....	1,732.92	€ 7,783.26	6,532.01	1,484.71	1,396.97	1,005,276.22
Other.....	774,048.04	1,339,025.79	932,045.69	749,721.35	941,876.52	13,994,283.97
Unclassified.....			7.58	€ 7.58	4,253.76	4,253.76
Assistance to Greece and Turkey.....	4,354.52	4,757.28	2,485.49	23,478.85	€ 2,016.32	87,802.65
Office of Education.....	622,708.54	256,825.35	1,964,852.26	1,899,269.40	210,222.07	20,686.45
Payments for United Nations relief and rehabilitation.....	€ 9.00	392.23	126.22			33,632,971.47
Public Health Service.....	9,805,629.14	11,090,533.23	11,548,457.39	9,818,421.55	10,092,144.11	419.45
Surplus property disposal.....	7,806.10	13,211.88	25,433.67	19,435.43	10,828.77	138,713,230.19
Other.....	1,295,343.32	4,291,067.51	6,262,965.84	3,632,815.55	3,023,912.20	211,135.10
Unclassified.....	€ 1,270.52	742.54	547.41	3.40	€ 4,270.62	39,365,144.36
Federal Works Agency:						
Public Buildings Administration:						
Construction.....	1,318,036.34	€ 8,115.18	667,987.82	644,898.84	1,163,062.80	6,627,679.26
Other.....	6,166,731.54	7,905,726.10	5,784,339.72	3,437,129.59	3,558,943.75	65,013,634.50
Unclassified.....						€ 1,070.73
Public Roads Administration:						
Assistance to Greece and Turkey.....						
Other.....	83,421.67	112,592.22	79,372.53	75,586.90	43,803.85	2,291,256.48
Unclassified.....	20,277,980.85	25,508,060.52	23,889,322.22	30,410,528.20	47,263,712.05	435,188,879.50
Bureau of Community Facilities.....						
Surplus property disposal.....	1,943,786.22	€ 888,933.37	1,080,884.00	1,552,108.09	4,946,059.43	518.16
Other.....	3,045.68	1,598.49	1,598.49	12.00	6,675.63	20,009,651.13
Unclassified.....	4,114,201.29	848,836.01	214,756.75	43,490.26	296,342.04	71,102,263.01
Footnot e s at end of table.	€ 23,250.00	23,250.00			€ 5,000.00	138,954.79
						8,338,752.00
						€ 2,927.39

Expenditures ^a	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
Housing and Home Finance Agency:						
Federal Housing Administration:						
Home Owners' Loan Corporation:	\$2,020,518.10	\$2,401,970.53	\$2,435,305.15	\$2,901,309.96	\$3,433,444.90	\$7,669,655.79
Public Housing Administration:	\$8,582,990.99	\$12,947,080.35	\$7,302,150.55	\$9,064,481.93	\$8,952,715.37	\$151,943,093.06
Veterans' housing:	41,869.09	1,455,680.06	312,008.97	25,441.08	146,649.37	43,206,294.05
Other:	4,623,624.64	5,944,168.96	4,933,546.05	6,398,752.20	7,149,377.86	58,792,553.80
Unclassified:	\$4.79	\$130.21	\$3,235.79	\$3,370.79	\$1,517.82	\$1,987.80
Surplus property disposal:	147,317.26	23,603.48	369,884.06	22,498.40	580,180.56	61,249.55
Other:	\$48,584.19	48,584.19			1,542,858.14	1,156,906.19
Unclassified:						
Interior Department:						
Bureau of Reclamation:	15,545,390.08	19,457,369.22	16,561,251.27	19,606,681.78	24,395,427.78	178,752,772.78
Surplus property disposal:	\$15,352.26	28,645.93	4,793.11	1,883.61	793.07	273,063.56
Other:	27,747,291.96	20,921,510.87	17,116,881.40	16,002,152.32	25,641,541.87	\$170,307,135.47
Unclassified:	\$169,520.34	171,194.80	\$1,723.02	3,048.56	\$1,330.95	\$1,908.57
Justice Department:	9,161,304.62	11,089,644.83	12,780,486.92	9,178,037.45	9,708,826.83	\$117,431,830.82
Labor Department:	1,217,458.83	1,280,706.70	1,146,087.95	1,235,803.43	1,074,876.00	13,86,024,080.64
Maritime Commission:						
Liquidation War Shipping Administration obligations:	3,744,005.37	4,327,863.88	2,749,249.39	2,453,253.83	6,087,072.96	24,930,215.86
Payments for United Nations relief and rehabilitation:	3,147,243.23	387,433.19	\$17,510.72	34.30	1,196,070.12	23,595,071.83
Surplus property disposal:	6,725,311.18	6,104,913.89	1,842,751.00	6,602,422.65	7,670,975.94	251,905,063.54
Other:		\$532.13	431.72	100.41	14,058.03	415.06
Unclassified:						
National Military Establishment:	484,401.42	\$27,046.57	732,417.08	490,541.28	585,426.90	396,867.85
Office of the Secretary of Defense:	135,974,506.38	165,370,856.64	165,570,462.68	171,589,493.80	187,559,265.03	1,690,460,724.36
Department of the Air Force ^a :						
Military functions:						
Armed Forces Leave Act of 1946: ^b						
Bonds issued:	27,125.00	31,700.00	30,800.00	13,950.00	11,925.00	153,030,300.00
Cash payments:	16,801.00	31,026.00	18,236.00	17,415.00	12,944.00	23,810,253.00
Assistance to Greece and Turkey:	24,763,840.33	15,170,014.75	27,297,363.65	38,448,208.41	10,852,246.62	57,593,864.60
Care and handling of surplus property overseas:	300,636.93	279,148.86	604,327.68	536,290.85	1,334,114.79	17,082,780.98
Foreign Aid Act of 1947:	64,709.77	2,477.55	9,161.19	534,673.85	2,514.42	7,545,108.71
Payments for United Nations relief and rehabilitation:		\$922.12		67.34		43,857,135.79
Relief to people of countries devastated by war:	79,000.46	19,920.85	7,539.28	\$474.40	\$1,074.53	26,035,906.35
Surplus property disposal:			\$15.29	\$4.32		220,791.46
Other ^a :	411,883,235.82	525,548,905.23	504,019,608.34	376,432,445.55	531,475,076.18	5,964,613,648.92

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1949 and totals for 1948 and 1949—Continued*

Expenditures ³	Fiscal year 1949					
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948
National Military Establishment—Continued						
Department of the Army—Continued						
Civil functions:						
Agricultural commodities and raw materials for occupied areas (revolving fund)	\$84,094,250.06	\$177,830,046.13	\$176,003,189.39	\$78,831,577.44	\$112,643,680.02	\$117,439,182.03
Government and relief in occupied areas ¹⁷	2,263,717.89	2,114,967.58	1,552,588.11	3,655,722.69	1,902,326.74	1,543,479.48
Panama Canal						
River and harbor work and flood control	51,195,526.70	57,473,872.83	61,318,975.44	61,737,181.15	65,489,864.05	61,393,737.81
Other	9,909,685.65	5,321,123.72	7,991,104.74	5,645,536.59	6,009,542.22	9,035,988.58
Unclassified	1,412,007.95	€ 16,157.52	€ 6,352,040.80	6,275,739.96	118,393.54	€ 10,638.70
Department of the Navy:						
Armed Forces Leave Act of 1946: 15	409,900.00	472,975.00	930,225.00	433,475.00	115,050.00	46,625.00
Bonds issued	109,708.30	128,082.10	63,743.43	156,092.17	44,108.94	28,693.73
Cash payments	981,292.72	2,869,329.66	904,292.40	5,000.00	1,916,180.95	1,251,944.08
Assistance to Greece and Turkey					23,206.16	15,187.92
Care and handling of surplus property overseas		32,768.92				
Payments for United Nations relief and rehabilitation	€ 402,130.47	€ 16,016.57	296,579.74		149,803.10	€ 57,536.74
Other	373,742,874.53	322,443,133.48	332,431,638.08	348,207,802.62	381,303,743.96	377,626,030.17
Unclassified	€ 16,486.40	23,618.44	679.73	€ 703.56	€ 336,711.54	336,733.37
Post Office Department (deficiency):						
Current year			100,000,000.00		100,000,000.00	
Prior years	€ 2,337,278.50					
Railroad Retirement Board:						
Railroad retirement account	347,570,000.00			72,000,000.00		
Administrative expenses	373,794.64	515,248.35	332,906.55	357,594.98	352,839.11	353,378.99
Railroad unemployment insurance administration fund	399,623.81	710,099.73	392,322.16	400,403.09	489,538.65	381,810.62
Railroad unemployment insurance administration fund (transfers to unemployment trust fund)	8,500,000.00	467,357.00				
Unclassified	13,189,633.17	€ 23,349,816.55	26,155,787.10	27,708,770.85	47,497,821.41	13,145,124.41
Reconstruction Finance Corporation ¹⁸						
State Department:						
Foreign service retirement fund	2,150,000.00					
Foreign aid and relief:						
Assistance to Greece and Turkey	600,267.45	223,952.68	210,755.06	10,609.40	653,020.60	7,991.66
China Aid Act of 1948					5,000.00	
Foreign Aid Act of 1947	23,042,901.18					
International Children's Emergency Fund				8,290,285.71	1,036,285.70	
Relief to people of countries devastated by war	39,217.98	€ 30,346.30	1,879.45	1,891.94	33,883.85	€ 428.33
						5,004.07

Expenditures ^a	Fiscal year 1949					Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949		
National Military Establishment—Continued							
Department of the Army—Continued							
Civil functions:							
Agricultural commodities and raw materials for occupied areas (revolving fund)	\$168,929,478.80	\$72,166,595.88	\$65,822,911.42	\$142,368,644.17	\$7,339,119.65	\$7,339,119.65	
Government aid relief in occupied areas:	2,181,971.69	983,313.73	1,343,789.56	1,566,685.27	68,607,738.56	1,321,446,664.54	\$880,970,510.39
Panama Canal					2,368,352.52	23,791,785.97	18,264,667.80
River and harbor work and flood control	41,808,360.02	53,946,481.86	52,648,370.64	54,532,300.58	67,016,351.96	675,621,426.38	422,811,426.38
Other	4,973,704.30	3,567,131.46	4,904,835.22	4,531,117.58	3,764,341.29	70,303,126.84	82,945,777.53
	27,689.64	27,689.64	4,939.42	6,882.39	1,563,196.36	619,170.90	1,395,968.43
Unclassified:							
Department of the Navy:							
Armed Forces Leave Act of 1946: ¹⁵							
Bonds issued	25,050.00	18,250.00	19,725.00	7,325.00	16,675.00	2,530,175.00	76,668,500.00
Cash payments	7,499.89	6,644.05	11,123.19	6,709.32	4,619.12	582,138.36	11,236,055.75
Assistance to Greece and Turkey	512,552.03	892,317.88	388,072.48	1,501,701.80	2,866,394.99	15,353,855.72	13,461,779.91
Care and handling of surplus property overseas		94,400.88		50,071.05		215,634.93	2,904,674.93
Payments for United Nations relief and rehabilitation							
Other	355,924,061.16	235,50	355,431,205.92	380,325,505.05	150,517.74	4,411,899,878.80	9,004,086.94
Unclassified:	141,819.55	141,637.64	5,783.61	5,965.52	413,806,113.06	4,171,288,976.44	4,948,49
Current year:	100,000,000.00		100,000,000.00		76,000,000.00	526,000,000.00	310,000,000.00
Prior years:					634,540.60	1,702,737.90	213,450.72
Railroad Retirement Board:							
Railroad retirement account							
Administrative expenses	363,006.71	466,180.67	73,000,000.00	192,864.68	9,889,000.00	574,459,000.00	758,488,498.50
Railroad unemployment insurance administration fund	494,169.11	630,538.79	502,142.69		133,530.02	4,332,763.90	5,005,015.88
Railroad unemployment insurance administration fund (transfers to unemployment trust fund)			447,654.20	656,319.46	587,163.83	5,873,694.54	5,499,591.63
Unclassified:							
Reconstruction Finance Corporation: ¹⁶							
State Department:	51,223,360.32	63,778,126.44	51,643,072.70	19,725,520,143.07	70,436,619.91	314,388,065.57	9,650,100.00
Foreign aid and relief:							18,41
Foreign aid and relief:							217,730,288.90
Foreign aid and relief:							2,055,000.00
Foreign aid and relief:							2,329,397.32
Foreign aid and relief:	202,735.01	1,023,256.32	1,885,101.50	10,959.10	639,772.66	48,710,322.43	247,331,876.32
Foreign aid and relief:							23,042,901.18
Emergency fund:	3,383,198.56	2,846,592.28			9,435,329.21	25,491,691.46	29,32,795,833.05
Relief to people of countries devastated by war:	1,293.40	85.25	521.62	1,723.18	2,929.65	43,579.36	29,36,809,444.84

Footnotes at end of table.

Expenditures ^a	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
State Department—Continued						
Payments for United Nations relief and rehabilitation.....	\$40,492.40	\$199,995.86	\$81,149.85	\$26.19	\$91.96	\$73,495,274.24
Surplus property disposal ^{a1}				95,773.52	66,578.41	ε 12,865.80
United Nations headquarters, loan for construction and furnishing.....	3,504,415.12	1,772,700.00	1,994,000.00		1,500,000.00	
Other.....	12,773,080.59	14,929,388.91	36,144,300.91	12,719,078.46	16,849,637.12	226,606,925.36
Unclassified.....	15,191.05	370.30	34.00	9.14	969.80	23,613.66
Tennessee Valley Authority.....	1,614,219.96	ε 600,560.99	2,644,588.55	938,972.63	29,274,390.51	ε 32,270,256.25
Treasury Department.....						1,700,000,000.00
Credit to United Kingdom.....						
Interest on the public debt.....	140,631,378.11	586,911,368.67	175,417,262.82	123,280,009.57	971,092,721.56	4,521,888,466.81
Public issues ^{a2}	685,783.31	1,742,684.92	2,291,106.33	1,608,281.25	399,331,318.09	817,507,899.00
Claims and judgments, various agencies ^{a3}					1,747,477.46	1,747,477.46
Coast Guard.....						
Armed Forces Leave Act of 1946: ^{a4}						
Bonds issued.....	675.00	275.00	ε 300.00	125.00		3,829,850.00
Cash payments.....	ε 64.27	1,914.79	ε 250.73	990.04	ε 31.62	431,246.25
Other.....	10,076,155.90	10,323,388.61	13,188,220.12	9,598,638.11	11,781,383.93	107,928,706.43
Foreign aid and relief:						
Assistance to Greece and Turkey.....	598,200.39	457,078.14	203,823.04	100,611.53	87,518.96	9,199,131.45
China Aid Act of 1948.....	972,691.44	755,088.75	294,348.39	ε 683.47		
Foreign Aid Act of 1947.....	435.49	1,465.52	85.11	153.60		
Relief to people of countries devastated by war.....	ε 1,078.30	22.63	10.80	326.46		
Interest on refunds of receipts ^{a1}	6,041,829.28	7,051,911.05	7,531,929.60	5,182,833.51	8,087,115.00	2,405,515.01
Payments for United Nations relief and rehabilitation.....	796.48	ε 1,087.60	7.82	ε 1,703.41	ε 496,317.51	86,806,641.08
Strategic and critical materials.....	25,605,712.63	29,308,752.58	33,102,808.79	56,811,502.82	46,780,491.53	34,755,745.35
Other.....	29,004,936.33	46,008,339.05	30,132,130.52	31,016,447.75	395,716,620.86	98,773,493.05
Unclassified.....	8,131.73	ε 2.46	531.68	ε 529.22	ε 202,066.02	380,063,119.12
Veterans' Administration:						738.32
National service life insurance fund.....	1,424,063.18	540,644.38	1,286,981.63	29,946,866.44	8,497,463.04	152,955,378.01
Benefits under Servicemen's Readjustment Act.....	281,046,459.64	348,374,826.81	283,447,101.96	297,099,035.98	246,757,141.19	3,223,049,909.41
Pensions and compensations.....	184,550,937.23	184,339,629.79	170,780,063.69	193,333,538.17	2,319,000,920.70	2,069,168,823.70
Other.....	79,796,111.43	106,340,791.50	82,599,436.80	93,626,867.60	90,819,317.23	1,024,282,881.56
Unclassified.....	ε 34.34	70.02	5,541.04	ε 10,436.90	8,363.31	1,161.21
Other agencies:						
Independent offices and commissions:						
General Accounting Office.....	2,704,658.15	4,052,519.26	2,705,635.32	2,752,663.45	2,877,118.07	33,834,401.55
Interstate Commerce Commission.....	889,442.45	905,205.46	834,100.57	856,048.77	878,469.02	10,308,517.25

Footnotes at end of table.

TABLE 3.—*Budget receipts and expenditures, in detail, monthly for fiscal year 1949 and totals for 1948 and 1949—Continued*

Expenditures ¹	Fiscal year 1949					
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948
Other agencies—Continued						
Independent offices and commissions—Con.						
National Advisory Committee for Aero-						
nautics	\$4,240,005.81	\$3,561,757.02	\$4,549,942.10	\$3,769,413.97	\$4,021,663.76	\$4,020,911.72
Selective Service System	56,692.00	153,816.53	330,360.67	1,158,030.03	1,677,138.97	1,729,783.40
Other	745,934.40	21,801,472.31	24,371,619.58	21,722,264.08	17,409,642.04	22,717,875.64
District of Columbia (Federal contributions)	12,000,000.00					
Post Office Department:						
China Aid Act of 1948			40,000.00			
Other (excluding deficiencies and expend-						
itures from postal revenues)	2,201,668.93	23 11,234,817.03	23 9,564,584.56	54,799.10	566,616.96	1,599,364.75
Adjustment for disbursing officers' checks	37,121.88	97.23	25,283.28	542.12	226.71	595.09
Outstanding	83,569.34	83,246.04	49.17	107,418.84	107,453.15	163.61
Unclassified						
Total budget expenditures ^{4 11}	3,740,944,400.23	2,335,244,020.03	3,065,747,937.09	2,910,595,283.67	3,162,521,313.09	4,102,173,533.68
Budget surplus, or deficit (—) ¹¹	-1,644,656,447.18	169,390,951.36	1,477,158,581.03	-803,801,240.56	-622,545,258.38	-88,444,944.95
						371,031,092.71

^a Counter-entry receipts (deduct).^b Counter-entry (add).^c Excess of credits (deduct).^d Excludes:

See footnote 4. Includes certain payments, principally by wholly owned Government corporations.

² Includes adjustment of \$17,000,000 for transfer from Alaska Railroad appropriated fund to Alaska Railroad special fund, charged in July as expenditures of the Interior Department and credited as miscellaneous receipts.³ Represents appropriations equal to "Social security—employment taxes" collected and deposited as provided under sec. 201 (3) of the Social Security Act Amendments of 1939.⁴ Effective January 3, 1949, amounts refunded by the Government, principally for the overpayment of taxes, are being reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, have been excluded from budget receipts and expenditures.⁵ Neither of these changes affects the size of the budget surplus or deficit. Prior year figures beginning with fiscal year 1931 have been adjusted accordingly for comparative purposes.⁶ Includes \$145,763,868.65 representing proceeds of ship sales finally allocable to surplus-property receipts, which have been carried in trust accounts pending final determination.⁷ Includes \$20,677,489.31 on account of retirement of capital stock, Federal Deposit Insurance Corporation.⁸ Includes \$266,695,250.41 on account of retirement of capital stock, Federal Deposit Insurance Corporation.⁹ Revised. See footnote 4.¹⁰ Expenditures are "net," after allowance for reimbursements to appropriations, receipts of revolving fund appropriations, and receipts credited to disbursing accounts of corporations and agencies having authority to use the credits without formal covering into the Treasury. When such credits exceed expenditures the items are indicated by the prefix "c." Sales and redemptions in the market of obligations of Government corporations are shown in table 4.¹¹ Payments of \$1,453.05 were made during the fiscal year 1948 through May 31 by the Agriculture Department to the Commodity Credit Corporation in reimbursement for agricultural commodities procured in connection with the lend-lease program and reflected in previous expenditures of the Commodity Credit Corporation.¹² These payments were repaid by the Commodity Credit Corporation during the fiscal year 1948 through May to lend-lease funds of the Agriculture Department.

Expenditures ^a	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
Other agencies—Continued						
Independent offices and commissions—Con-						
National Advisory Committee for Aero-						
nautics	\$3,874,578.02	\$5,149,837.75	\$4,153,669.26	\$4,079,785.77	\$4,980,591.01	\$86,774,236.13
Selective Service System	1,897,928.51	1,574,445.86	1,887,979.72	1,748,776.04	1,526,127.26	7,239,402.34
Other	16,536,198.10	25,696,161.23	19,543,528.21	19,579,613.81	14,623,757.74	103,550,697.82
District of Columbia (Federal contributions)						12,000,000.00
Post Office Department:						
China Aid Act of 1948						40,000.00
Other (excluding deficiencies and expend-	857,740.21	81,464.16		204,273.64	1,339,480.25	6,882,826.62
itures from postal revenues)						
Adjustment for disbursing officers' checks	3,958.51	9,963.30	5,513.77	4,150.04	13.42	88,416.65
Unclassified					1,132.23	1,454.70
Total budget expenditures ⁴ 11	2,971,942,069.99	3,651,284,554.29	3,151,046,014.11	3,104,406,172.01	4,655,916,819.58	40,057,107,857.79
Budget surplus, or deficit (-) 11	409,484,138.00	1,783,452,357.67	-1,811,290,506.32	-1,159,237,136.40	111,008,365.34	-1,811,410,047.68
						33,791,300,648.87
						8,419,469,843.81

¹¹ Section 114 (f) of the Economic Cooperation Act of 1948, approved April 3, 1948, required that the sum of \$3,000,000,000 be transferred to a trust fund entitled "Foreign Economic Cooperation Trust Fund" and "considered as expended during the fiscal year 1948 for the purpose of reporting governmental expenditures." The effect of this was to charge the budget in the fiscal year 1948 for expenditures made in the fiscal year 1949, with consequent effect on the budget surplus or deficit of those years. This bookkeeping transaction had no effect on the actual timing of either receipts or expenditures. In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of \$3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of \$3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table. If effect is given to section 114 (f) of the Economic Cooperation Act of 1948, the budget results for the fiscal years 1948 and 1949 would be as follows:

	Fiscal year 1948	Fiscal year 1949
Budget receipts	\$42,210,770,493	\$38,245,667,810
Budget expenditures	36,791,300,649	37,057,107,858
Budget surplus	5,419,469,844	1,188,559,952

¹² Refunds credit on August 16, 1948, of \$141,228,767.13 representing repayment of principal, \$140,000,000, and interest, \$1,228,767.13, in connection with loan to Canadian Government.

¹³ Effective July 1, 1948, the United States Employment Service was transferred from the Department of Labor to Federal Security Agency. Expenditures of the Service included in Department of Labor amounted to \$70,388,747.81 in fiscal year 1948.

¹⁴ Expenditures on behalf of the Department of the Air Force which are made out of appropriations to the Department of the Army are included in the expenditures of the latter department.

¹⁵ Administrative expenses in carrying out provisions of act are included under "Other." Adjusted to exclude expenditures on account of government and relief in occupied areas. See footnote 17. For additional adjustment of 1948 figures see explanation in footnote 4.

¹⁶ Adjusted, effective with Daily Statement of the United States Treasury of November 15, 1948, to include expenditures from the 1947 appropriation, formerly classified as military functions.

¹⁷ Includes transactions on account of Federal National Mortgage Association, War Damage Corporation in liquidation, and mercantile war affiliates.

¹⁸ Takes into account \$108,159,715.63 repayment of loan by the Triborough Bridge and Tunnel Authority, New York, N. Y., which was credited to disbursing account of the Reconstruction Finance Corporation on May 16, 1949.

¹⁹ Revised to adjust classifications.

²⁰ Does not include expenditures from direct appropriations for expenses of disposal in foreign areas.

²¹ The accounts for which special issues are held are shown in the monthly Public Debt Statement appearing on pages 5, 8, and 9 of the Daily Statement of the United States Treasury for the first business day of each month. Some of such accounts also hold marketable obligations, the interest on which is included in public issues on the line above.

²² Represents judgments, and damage claims not payable under Tort Claims Act, effective June 1949 which for prior year periods are included with expenditures of the department or agency involved.

²³ In prior publications, interest on refunds of receipts was included under "refunds of taxes and duties." See also footnote 4.

²⁴ Includes transfer to Postmaster General's general checking account of \$90,000,000 of Economic Cooperation Administration funds, classified under Foreign Economic Cooperation trust fund in September.

TABLE 4.—*Trust accounts, etc., receipts and expenditures, in detail, monthly for fiscal year 1949 and totals for 1948 and 1949*
 [On basis of daily Treasury statements, see p. 351]

Receipts	Fiscal year 1949						
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949
Federal old-age and survivors insurance trust fund:							
Appropriations 1	\$33,057,385.20	\$379,573,448.06	\$7,907,860.81	\$58,804,438.98	\$357,616,627.03	\$7,062,439.80	\$38,039,043.38
Interest and profits on investments	25,407.61		11,031,616.32	180,163.04		100,669,419.15	
Transfers from general fund	277,000.00	2,974,000.00					
National service life insurance fund:							
Interest on investments							
Premiums and other receipts	44,174,356.17	30,999,841.91	32,987,317.28	33,865,824.31	26,287,279.66	37,395,202.64	36,216,689.58
Transfers from general fund	15,110,355.52	8,601,064.62	5,694,587.45	8,148,765.00	6,205,285.14	569,637.19	983,283.61
Railroad retirement account:							
Interest on investments	33,575.34	84,414.35	136,517.15	203,424.66	268,479.45	321,369.86	395,219.18
Transfers from general fund	347,570,000.00			72,000,000.00			72,000,000.00
Unemployment trust fund:							
Deposits by States	35,139,806.02	224,191,734.74	15,016,791.16	27,498,637.70	227,218,407.79	14,186,839.76	28,448,614.01
Railroad unemployment insurance account:	21,365.49	58,899.46	4,084,782.61	196,044.28		86,041,298.78	84,530.38
Deposits by Railroad Retirement Board	4,232.70	3,497.81	7,404.32	1,619.81	12,176.51	3,196.36	238.11
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1940)	8,500,000.00	497,337.00					
Other trust accounts:							
Adjusted service certificate fund:							
Interest on loans and investments		1,231.50	38.95	3,755.15	1,748.63	1,094.92	223,318.90
Transfers from general fund							
Alaska Railroad retirement fund:							
Deductions from employees' salaries, etc.	78,690.72	34,588.13	62,188.45	41,460.72	39,877.12	46,187.84	32,045.18
Interest on investments	42.74					276.16	
Transfers from general fund (U. S. share)	217,000.00						
Canada zone retirement fund:							
Deductions from employees' salaries, etc.	100,227.15	54,442.80	\$5,598.91	90,326.79	94,940.03	97,272.52	128,611.02
Transfers from general fund (U. S. share)	92.05	251.25	1,716.17	969.86	560.00	3,185.10	1,376.72
Civil service retirement fund:	1,177,000.00						
Deductions from employees' salaries, etc.	17,071,453.22	2,23,842,377.78	26,631,123.69	25,771,957.27	29,319,642.99	2,27,565,088.46	28,328,385.70
District of Columbia share	2,032,000.00						
Interest and profits on investments	16,109.59	32,876.71	35,013.70	3,084.16	40,625.00	108,988.36	88,230.41
Transfers from Comptroller of the Currency		400,000.00				53,946.45	
Transfers from general fund (U. S. share)	224,000,000.00						
District of Columbia:							
Revenues from taxes, etc.	5,013,143.38	2,602,246.05	10,583,613.70	17,890,911.20	4,063,135.30	4,375,723.23	3,286,342.52
Transfers from general fund (U. S. share)	12,000,000.00						

Receipts	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949		
Federal old-age and survivors insurance trust fund:						
Appropriations ¹	\$279,829,441.75	\$25,937,179.08	\$75,191,341.72	\$391,410,982.35	\$1,690,295,704.58	\$1,616,162,043.92
Interest and profits on investments		11,650,303.13	136,187.85		230,194,240.15	190,562,313.81
Transfers from general fund					3,279,400.00	700,000.00
National service life insurance fund:						
Interest on investments	33,872,842.10	33,906,493.33	27,046,142.68	28,008,797.38	210,289,645.90	199,211,615.54
Premiums and other receipts	1,424,063.18	540,644.38	1,286,981.63	29,946,896.44	392,782,902.58	387,513,695.71
Transfers from general fund					86,978,987.20	152,955,378.01
Railroad retirement account:						
Interest on investments	439,757.12	503,958.90	582,410.96	657,082.19	50,942,876.72	38,875,491.78
Transfers from general fund			73,000,000.00		574,459,000.00	758,488,498.50
Unemployment trust fund:						
Deposits by States	149,261,495.12	15,413,702.01	32,252,635.04	290,143,261.41	984,031,147.22	1,007,346,050.50
Interest on investments	17,316.99	4,542,306.05	726,491.71	216,902.62	180,100,362.60	165,279,217.54
Railroad unemployment insurance account:						
Deposits by Railroad Retirement Board	11,808.06	10,673.00	3,546.07	6,872.76	76,805.86	130,633,530.02
Transfers from railroad unemployment insurance administration fund (act Oct. 10, 1946)						
Other trust accounts:						
Adjusted service certificate fund:						
Interest on loans and investments	144.96		549.68	4.49	8,967,357.00	9,650,100.00
Transfers from general fund					233,629.65	407,512.86
Alaska Railroad retirement fund:						
Deductions from employees' salaries, etc.	36,117.73	34,100.76	33,836.20	33,406.24	510,631.17	323,957.58
Interest on investments	1,669.05			1,254.25	132,063.90	115,483.71
Transfers from general fund (U. S. share)					217,000.00	217,000.00
Canal Zone retirement fund:						
Deductions from employees' salaries, etc.	87,667.47	87,311.91	91,275.42	90,982.53	1,099,041.81	1,216,477.15
Interest on investments	1,232.88	3,364.93	5,495.89	3,016.03	551,714.01	518,051.71
Transfers from general fund (U. S. share)					1,177,000.00	1,177,000.00
Civil service retirement fund:						
Deductions from employees' salaries, etc.	27,583,045.22	30,449,824.23	24,955,198.09	28,462,810.88	323,971,592.27	234,120,423.11
District of Columbia share					2,032,000.00	1,530,000.00
Interest and profits on investments					122,798,553.78	107,112,645.48
Transfers from Comptroller of the Currency	193,853.60	595,847.16	646,575.34	789,008.56		
Transfers from general fund (U. S. share)					453,996.45	
District of Columbia:						
Revenues from taxes, etc.	3,750,193.36	16,616,363.57	15,319,777.47	5,165,627.95	224,000,000.00	244,000,000.00
Transfers from general fund (U. S. share)					91,981,700.30	86,975,337.42
					12,000,000.00	12,000,000.00

Footnotes at end of table.

Receipts and expenditures	Fiscal year 1949					Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949		
RECEIPTS							
Other trust accounts—Continued							
Foreign service retirement fund:							
Deductions from employees' salaries, etc.	\$86,840.03	\$63,413.57	\$94,937.47	\$58,958.89	\$57,916.48	\$751,682.48	\$797,763.22
Interest on investments	646.58	292.60	1,474.52	1,612.60	553,534.35	2,150,000.00	2,055,043.52
Transfers from general fund (U. S. share)							
Government life insurance fund:							
Interest and profits on investments	44,109.59		110,849.32	3,920,079.19	44,741,938.36	44,917,705.49	43,792,219.94
Premiums and other receipts	4,027,881.11	4,299,647.56	3,176,713.08	715,624.14	9,149,096.60	47,231,247.16	46,704,331.81
Indian tribal funds	1,407,727.25	1,264,334.05	1,029,637.23	715,624.14	9,366,697.29	22,438,065.82	13,206,326.43
Insular possessions		630.64		419.43		5,817.23	13,206,326.43
Other	41,963,339.61	26,893,444.64	29,104,922.99	23,115,337.02	42,452,281.35	406,372,618.85	1,067,213,394.85
Increment resulting from reduction in weight of gold dollar	7,959.04	11,711.67	1,324.64	8,578.34	25,070.16	105,437.02	70,796.83
Seigniorage ¹	304,315.25	307,650.29	269,991.07	84,665.18	2,585,478.47	3,633,593.20	82,626.26
Unclassified							276,227.25
Total receipts ¹	543,745,728.58	172,533,198.06	285,068,319.84	712,672,850.54	773,444,960.54	5,714,426,671.10	6,515,280,080.67
EXPENDITURES							
Federal old-age and survivors insurance trust fund:							
Administrative expenses:							
Salaries and expenses, Bureau of Old-Age and Survivors Insurance	2,821,751.17	4,409,076.44	3,078,593.60	3,131,212.74	2,987,907.93	39,637,364.47	34,438,773.91
Reimbursements to general fund ²	1,032,261.55	1,032,261.55	1,537,335.31	1,537,335.31	959,929.01	13,777,510.64	13,018,698.33
Benefit payments	51,090,349.27	53,773,935.69	54,244,253.28	54,775,386.62	55,712,400.91	607,036,339.93	511,675,074.33
Investments		269,000,000.00	20,000,000.00		643,909,655.79	1,293,890,968.99	1,194,445,066.82
National service life insurance fund:							
Benefits, refunds, etc.	26,976,514.45	29,018,938.87	28,108,163.50	28,744,718.14	29,165,355.18	348,131,930.69	301,949,107.45
Investments	15,000,000.00	5,000,000.00	5,000,000.00	30,000,000.00	215,000,000.00	353,000,000.00	401,000,000.00
Railroad retirement account:							
Benefit payments	23,344,601.68	23,876,534.36	24,015,295.43	24,069,147.73	24,596,290.58	278,202,192.04	222,306,408.37
Investments	623,000,000.00	623,000,000.00	49,000,000.00	623,500,000.00	31,500,000.00	345,500,000.00	559,000,000.00
Unemployment trust fund:							
Investments	34,000,000.00	614,097,227.78	612,000,000.00	42,000,000.00	674,026,339.41	616,066,792.60	446,368,622.94
Railroad unemployment insurance account:							
Benefit payments	6,945,682.23	10,364,411.04	11,309,516.73	7,726,442.14	7,715,999.52	76,978,245.28	60,792,996.21
Transfer to railroad unemployment insurance contributions for administrative expenses ³							
State accounts:							
Withdrawals by States	110,183,000.00	156,050,000.00	140,420,000.00	141,640,000.00	159,745,000.00	1,227,115,000.00	798,131,681.31
Footnotes at end of table.							

Expenditures	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949		
Other trust accounts:						
Adjusted service certificate fund:						
Other	\$31,761.91	\$55,458.36	^b \$27,000.00	^b \$35,830.83	^b \$100,000.00	^b \$85,450,000.00
Alaska Railroad retirement fund:						
Annuities and refunds	44,416.06	32,853.75	32,939.38	40,153.63	35,828.24	443,593.99
Investments	^b 65,000.00	33,000.00	17,000.00	^b 17,000.00	134,000.00	377,000.00
Canal Zone retirement fund:						
Annuities and refunds	165,583.32	185,275.71	182,626.91*	171,318.24	174,893.33	2,084,482.36
Investments	^b 40,000.00	^b 31,000.00	^b 163,000.00	^b 2,500.00	436,000.00	791,000.00
Civil service retirement fund:						
Annuities and refunds	16,374,307.63	18,972,513.37	18,401,913.67	18,623,029.94	20,200,665.37	218,211,221.38
Investments	11,550,000.00	7,015,000.00	7,800,000.00	8,470,000.00	129,685,000.00	443,773,500.00
District of Columbia	7,115,729.13	3,245,036.88	9,817,105.01	8,593,949.69	10,976,753.35	107,487,380.83
Foreign service retirement fund:						
Annuities and refunds	93,123.37	87,806.38	93,431.92	84,515.70	99,298.15	888,832.75
Investments	^b 10,000.00	^b 1,000.00	^b 39,000.00	^b 1,500.00	530,500.00	2,443,000.00
Government life insurance fund:						
Benefits, refunds, etc.	4,326,697.97	5,339,154.91	6,329,279.71	5,296,931.36	6,575,410.91	61,330,803.73
Investments	^b 2,000,000.00		4,000,000.00		39,500,000.00	32,500,000.00
Indian tribal funds	834,748.43	2,025,324.28	572,031.12	1,066,808.87	1,705,320.84	13,513,293.51
Other	15,624,401.77	23,777,228.86	136,834,431.88	^c 39,037,301.73	69,744,693.77	^d 404,423,593.58
Chargeable against increment on gold—melting losses, etc.						
Unclassified	^c 3,196.66	2,756.91	1,553.75	^c 1,331.03	^c 3.51	551.12
Special deposits (net):						
District of Columbia	^c 166,201.43	67,248.54	^c 139,508.29	198,590.65	^c 49,127.87	^c 4,176.72
Government corporations (partially owned)	2,119,003.03	4,988,773.45	^c 77,805,220.31	^c 7,138,610.58	^c 7,674,002.27	54,327.07
Indian tribal funds	^c 106,397.66	38,343.94	511,803.89	73,526.94	^c 1,300,612.64	162,345,822.17
Other	57,073,545.26	38,731,736.20	^c 8,137,662.13	36,725,670.76	119,081,409.69	^c 1,820,084.45
Unclassified	175,000.00	^c 173,000.00			119,38	204,574,504.32
Subtotal	361,523,387.80	484,818,173.89	265,949,617.49	420,998,302.41	6,134,700,200.48	1,083,473.37
Sales and redemptions of obligations of Government corporations, etc., in the market (net):						
Guaranteed by the United States:						
Commodity Credit Corporation	9,816,169.52	2,020,578.95	1,128,260.33	^c 260,640.96	^c 3,408,456.46	30,794,560.89
Federal Farm Mortgage Corporation	23,400.00	48,200.00	22,000.00	75,000.00	81,800.00	519,900.00
Federal Housing Administration	^c 231,700.00	^c 13,300.00	52,000.00	^c 67,850.00	^c 250,500.00	14,111,100.00
Home Owners' Loan Corporation	83,950.00	72,430.00	24,030.00	44,825.00	31,900.00	728,800.00
Public Housing Administration		1,000.00				1,000.00
Reconstruction Finance Corporation						
Footnotes at end of table.						3,000.06

TABLE 4.—Trust accounts, etc., receipts and expenditures, in detail, monthly for fiscal year 1949 and totals for 1948 and 1949—Continued

Expenditures	Fiscal year 1949						
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949
Sales and redemptions of obligations of Government corporations, etc., in the market (net)—Continued							
Not guaranteed by the United States:							
Federal home loan banks.....	\$74,995,000.00		\$35,145,000.00	\$135,000.00	\$15,000.00	\$29,000.00	\$51,470,000.00
Federal land banks.....	815,300.00	\$1,512,400.00	31,100.00	1,312,400.00	373,300.00	507,200.00	424,800.00
Home Owners' Loan Corporation.....	25.00	400.00	50.00	175.00	600.00	375.00	675.00
Subtotal.....	\$55,907,351.55	5,255,115.01	\$34,152,005.71	\$428,898.51	\$3,997,061.50	2,653,914.07	70,957,212.70
Total expenditures.....	812,103,160.93	504,891,092.70	546,999,311.16	205,225,742.20	373,199,635.45	532,247,778.88	322,352,008.79
Excess of receipts.....				82,150,102.36	317,204,574.93	218,566,041.54	84,087,400.61
Excess of expenditures.....	4,438,011.69	202,465,866.46	373,662,229.86				
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks: ^a							
Excess of receipts.....	700,210,302.47		9,229,693.11	174,048,345.18			340,068,916.04
Excess of expenditures.....		288,756,593.47			157,626,686.79	163,181,795.13	

Expenditures	Fiscal year 1949					Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949		
Sales and redemptions of obligations of Government and corporations, etc., in the market (net)—Continued							
Not guaranteed by the United States:							
Federal home loan banks.....	\$70,000.00	\$65,000.00	\$79,925.00	\$390,000.00	\$72,000.00	\$22,422,000.00	\$167,665,000.00
Federal land banks.....	19,300.00	535,700.00	24,000.00	57,000.00	31,000.00	5,844,200.00	44,209,200.00
Home Owners' Loan Corporation.....	75.00	75.00	2,075.00	3,000.00	700.00	8,225.00	8,775.00
Subtotal.....	10,137,194.52	2,627,003.95	81,184,335.33	241,934.04	4,111,556.46	74,459,835.89	107,387,668.31
Total expenditures.....	371,690,582.32	487,475,177.84	347,133,952.82	421,210,236.45	1,284,661,356.83	6,209,160,036.37	6,809,572,742.28
Excess of receipts.....							
Excess of expenditures.....	172,085,146.26	314,941,979.78	62,065,432.98	291,462,614.09	511,216,396.29	494,733,365.27	294,342,661.61
Clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks: ^a							
Excess of receipts.....							
Excess of expenditures.....	50,989,627.52	87,133,755.38	212,968,228.31	323,699,061.57	172,963,595.80	365,441,900.21	557,109,038.81

^a Counter-entry receipts (deduct).^b Excess of redemptions (deduct).^c Excess of credits (deduct).^d Represents appropriations equal to "Social security—employment taxes" collected and deposited as provided under sec. 201 (a) of the Social Security Act Amendments of 1939.^e Revised to adjust classifications.^f This item of salaried personnel represents the difference between the cost value and the monetary value of silver billion revolved and held to secure the silver certificates issued on account of silver acquired under the Silver Purchase Act of 1934.^g Does not include transactions under Foreign Economic Cooperation trust fund.^h See table 1, footnote 7.ⁱ Represents reimbursement for certain administrative expenses met out of general fund appropriations.^j Includes repayments on account of interest on bonds at time of purchase.^k Represents transfer from the railroad unemployment insurance account to railroad unemployment insurance contributions for administrative expenses, to adjust funds available for administrative expenses on account of retroactive credits taken by contributors under act approved June 25, 1948 (Public Law 74, 80th Cong.).^l See table 3, footnote 3.^m This clearing account for outstanding checks and telegraphic reports is used to enable the Treasurer to classify expenditures immediately upon the receipt of advices concerning the issuance of checks by the various disbursing officers of the Treasury Department, and also to enable the Treasurer to reflect transactions in his cash assets on the basis of telegraphic reports received from Federal Reserve Banks. When the Bank transcripts are received, the items concerned are cleared from this account.

TABLE 5.—*Budget receipts and expenditures,¹ by major classifications, fiscal years 1941-49*

[In millions of dollars. On basis of daily Treasury statements, see p. 351]

Classification	1941	1942	1943	1944	1945	1946	1947	1948	1949
RECEIPTS									
Internal revenue:									
Income and profits taxes:									
Withheld by employers.....				8,393	10,289	9,392	10,013	11,436	9,842
Other.....	3,470	7,960	16,094	26,262	24,884	21,493	19,292	19,735	19,641
Subtotal.....	3,470	7,960	16,094	34,655	35,173	30,885	29,306	31,171	29,482
Employment taxes:									
Old-age insurance.....	691	896	1,130	1,292	1,310	1,238	1,459	1,616	1,690
Unemployment insurance.....	98	120	158	180	185	180	185	208	223
Railroad retirement.....	137	170	209	267	285	283	380	557	564
Subtotal.....	925	1,186	1,498	1,739	1,780	1,701	2,024	2,381	2,477
Miscellaneous internal revenue.....	2,967	3,847	4,553	5,291	6,949	7,725	8,049	8,301	8,348
Total internal revenue.....	7,362	12,993	22,141	41,685	43,902	40,310	39,379	41,853	40,307
Railroad unemployment insurance contributions.....	7	8	10	12	13	13	14	15	10
Customs.....	392	389	324	431	355	435	494	422	384
Other:									
Renegotiation of war contracts ²			558	2,235	2,041	1,063	279	162	56
Surplus property.....					101	501	2,886	1,929	589
Other ³	235	286	366	1,077	1,338	1,915	1,456	1,719	1,426
Total budget receipts ³	7,996	13,677	23,402	45,441	47,750	44,238	44,508	46,099	42,774
Less:									
Appropriations to Federal old-age and survivors insurance trust fund ⁴	688	896	1,130	1,292	1,310	1,238	1,459	1,616	1,690
Refunds of receipts ⁵	80	85	70	257	1,679	2,973	3,006	2,272	2,838
Net receipts ³	7,227	12,696	22,202	43,892	44,762	40,027	40,043	42,211	38,246
EXPENDITURES									
National defense and related activities:									
Department of the Army ^{6,7}	3,678	14,070	42,265	49,242	50,337	27,800	6,911	6,046	5,417
Department of the Navy.....	2,313	8,580	20,888	26,538	30,047	15,161	4,998	4,171	4,412
Department of the Air Force.....									1,690
Payments under Armed Forces Leave Act.....							1,986	270	10
U. S. Maritime Commission ⁸	51	929	2,776	3,812	3,227	694	271	277	136
United Nations Relief and Rehabilitation ⁹ Administration.....					114	664	1,501	268	25
Surplus property disposal agencies.....						106	442	325	98
R. F. C. and affiliates ⁹	354	2,255	3,189	2,682	472	328	138		
Other ¹⁰	259	2,432	6,180	7,447	6,305	4,117	519	8	21
Subtotal.....	6,655	28,266	75,297	89,720	90,501	48,870	16,766	11,364	11,809
International finance and aid:									
Bretton Woods Agreements Act.....						159	1,426		
Export-Import Bank of Washington.....						568	938	465	-60
Credit to United Kingdom.....							2,050	1,700	
Greek-Turkish assistance.....								161	279
Relief to war devastated countries ¹¹								272	10
Government and relief in occupied countries ¹²							514	881	1,329
Economic Cooperation Act:									
Foreign Economic Cooperation trust fund ¹³									3,000
Other.....								134	1,043
Foreign Aid Act of 1947.....								498	75
China Aid Act of 1948.....									296
Other foreign aid ¹⁴								33	39
Subtotal.....						727	4,928	4,143	6,011

Footnotes at end of table.

TABLE 5.—*Budget receipts and expenditures,¹ by major classifications, fiscal years 1941-49—Continued*

[In millions of dollars]

Classification	1941	1942	1943	1944	1945	1946	1947	1948	1949
EXPENDITURES—Continued									
Interest on the public debt.....	1,111	1,260	1,808	2,609	3,617	4,722	4,958	5,211	5,339
Veterans' Administration.....	563	556	602	730	2,060	4,253	7,259	6,469	6,878
Other expenditures:									
Aid to agriculture ³ 15.....	1,272	1,385	585	696	969	-203	1,226	782	2,661
Social security program ¹⁶	586	656	732	798	807	845	1,066	1,619	1,696
Public works ³ 17.....	741	673	535	425	313	359	690	1,126	1,520
Housing and home finance ³	3	-201	-354	-360	-307	-246	129	-68	-56
Direct and work relief ¹⁸	1,374	970	299	17	(*)				
Miscellaneous ³ 19.....	1,084	622	118	679	742	1,378	2,267	3,145	4,198
Subtotal.....	5,059	4,105	1,914	2,256	2,525	2,133	5,378	6,603	10,019
Total budget expenditures ¹³	13,387	34,187	79,622	95,315	98,703	60,703	39,289	33,791	40,057
Budget surplus, or deficit (-) ¹³	-6,159	-21,490	-57,420	-51,423	-53,941	-20,676	754	8,419	-1,811

* Less than \$500,000.

¹ Expenditures exclude statutory debt retirements; and include net expenditures of Government corporations (wholly owned), etc., under appropriate classifications.² Includes so-called voluntary returns.³ Effective Jan. 3, 1949, amounts refunded by the Government, principally for the overpayment of taxes, are being reported as deductions from total receipts rather than as expenditures. Also, effective July 1, 1948, payments to the Treasury, principally by wholly owned Government corporations for retirement of capital stock and for disposition of earnings, are excluded in reporting both budget receipts and expenditures. Neither of these changes affects the size of the budget surplus or deficit. Prior figures in each case have been, adjusted accordingly for comparative purposes.⁴ Represents appropriations equal to "Social security—employment taxes" collected and deposited as provided under sec. 201 (a) of the Social Security Act Amendments of 1939.⁵ Excludes interest on refunds which is included under budget expenditures.⁶ Includes expenditures of Department of the Air Force prior to 1949.⁷ Adjusted to exclude expenditures on account of government and relief in occupied areas. See footnote 12.⁸ Effective September 1, 1946, expenditures of War Shipping Administration are included with expenditures of U. S. Maritime Commission.⁹ Expenditures of Reconstruction Finance Corporation and affiliates for activities other than for national defense and related activities are included under "Other expenditures: Miscellaneous". National defense and related activities expenditures for 1948 and thereafter are not segregated from other expenditures.¹⁰ Beginning July 1, 1946, consists of expenditures for Office of Selective Service Records, beginning March 1948, expenditures for Office of Secretary of Defense are also included.¹¹ Figures for 1948 adjusted to exclude expenditures on account of International Children's Emergency Fund. See footnote 14.¹² Adjusted to include expenditures from the 1947 appropriation, formerly classified as military functions.¹³ In order to simplify comparison of figures between years, the transactions shown in this table do not take into account the transfer of \$3,000,000,000 in the fiscal year 1948 to the Foreign Economic Cooperation trust fund; expenditures of \$3,000,000,000 during the fiscal year 1949 from the Foreign Economic Cooperation trust fund are treated as budget expenditures in this table.¹⁴ Figures for 1948 adjusted to include expenditures on account of International Children's Emergency Fund.¹⁵ Comprises Department of Agriculture expenditures, except those for UNRRA, surplus property disposal, other national defense and related activities prior to July 1947; international finance and aid; and forest roads and trails, included under "Public works", in this table.¹⁶ Comprises budget expenditures under Social Security, Railroad Retirement, and Railroad Unemployment Insurance Acts.¹⁷ Comprises expenditures of Federal Works Agency except those for surplus property disposal, other national defense and related activities prior to July 1947, and assistance to Greece and Turkey. Includes also forest roads and trails, rivers and harbors and flood control, reclamation projects, and Tennessee Valley Authority.¹⁸ Comprises expenditures of Civil Works Administration, Work Projects Administration, National Youth Administration, and Civilian Conservation Corps.¹⁹ Includes expenditures for executive departments not included elsewhere and for legislative and judicial functions; Government contributions to Federal employees' retirement; Civil Aeronautics; Panama Canal, except war expenditures; Post Office deficiency; and other miscellaneous.

TABLE 6.—*Trust accounts, etc., receipts and expenditures, by major classifications, fiscal years 1941-49*

[In millions of dollars. On basis of daily Treasury statements, see p. 351]

Classification	1941	1942	1943	1944	1945	1946	1947	1948	1949
RECEIPTS									
Federal old-age and survivors insurance trust fund ¹	744	967	1,218	1,395	1,434	1,386	1,623	1,807	1,924
Railroad retirement account	127	144	221	273	324	312	323	797	625
Unemployment trust fund	1,114	1,244	1,399	1,567	1,508	1,280	1,289	1,313	1,173
National service life insurance fund	4	46	316	905	2,127	2,351	1,504	740	690
Government life insurance fund	91	92	90	94	97	103	134	90	92
Government employees' retirement funds ²	175	222	374	501	557	614	578	594	680
Adjusted service certificate fund	10	1	1	1	10	1	1	-6	(*)
Miscellaneous ³	399	503	336	351	1,028	1,666	792	1,179	529
Total receipts ⁴	2,665	3,218	3,954	5,085	7,086	7,712	6,244	6,515	5,714
EXPENDITURES									
Investments by principal accounts									
Federal old-age and survivors insurance trust fund	642	821	1,035	1,172	1,137	1,002	1,194	1,194	1,294
Railroad retirement account	-5	18	86	140	182	156	148	569	346
Unemployment trust fund	563	866	1,228	1,503	1,437	102	443	446	-160
National service life insurance fund	3	35	314	862	1,974	2,053	1,234	461	353
Government life insurance fund	30	47	61	60	73	47	60	32	32
Government employees' retirement funds ²	97	140	280	393	399	309	282	363	447
Adjusted service certificate fund	8	-1	(*)	-1	-2	-2	(*)	-6	(*)
Subtotal investments	1,338	1,925	3,004	4,129	5,200	3,668	3,362	3,060	2,341
Other expenditures:									
Federal old-age and survivors insurance trust fund ¹	91	137	177	217	267	358	466	559	661
Railroad retirement account	121	126	130	134	141	152	173	222	278
Unemployment trust fund	555	377	176	61	71	1,146	869	859	1,314
National service life insurance fund	(*)	1	6	31	128	280	282	302	348
Government life insurance fund	63	45	30	34	25	50	67	70	61
Government employees' retirement funds ²	74	78	85	103	151	267	323	244	222
Adjusted service certificate fund	3	2	1	2	11	4	1	1	1
Miscellaneous ⁵	335	459	259	231	417	1,570	1,072	1,233	525
Special deposit accounts (net)	30	-129	-271	-508	-1,669	647	372	367	414
Redemption, or sale (-), of securities of Government corporations, etc., in the market (net)	-852	1,809	694	2,874	1,553	95	359	-107	74
Subtotal other expenditures ⁵	419	2,905	1,287	3,178	1,094	4,568	3,985	3,750	3,898
Total expenditures ⁶	1,757	4,830	4,292	7,307	6,294	8,236	7,347	6,810	6,209
Net receipts, or expenditures (-) ⁴	908	-1,613	-338	-2,222	791	-524	-1,103	-294	-495

* Less than \$500,000.

¹ Figures are stated in accordance with classifications in daily Treasury statement beginning Dec. 1, 1947. Reimbursements for those administrative expenses which are not paid directly from Federal old-age and survivors insurance trust fund (cost of collecting employment taxes, etc.) are classified as trust fund expenditures rather than as deductions from trust fund receipts.² Consists of Alaska Railroad, Canal Zone, civil service, and foreign service retirement funds.³ Comprises District of Columbia, Indian tribal funds, insular possessions, increment resulting from reduction in weight of gold dollar, seigniorage on silver, etc.⁴ Does not include transactions under the Foreign Economic Cooperation trust fund. See table 1, footnote 7.⁵ Comprises District of Columbia, Indian tribal funds, expenditures chargeable against increment on gold, etc.⁶ See footnote 1.

TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1929-49*¹
 [In thousands of dollars. On basis of reports of collections, see p. 352]

Fiscal year	Income and profits taxes					Miscellaneous internal revenue taxes			
	Individual taxes			Corporation taxes		Total income and profits taxes	Capital stock	Estate	Gift
	Withheld by employers ²	Other	Total individual taxes	Income ³	Excess profits ⁴					Total corporation taxes
1929		1,095,541	1,095,541	1,235,733		1,235,733	5,956	61,897	
1930		1,146,845	1,146,845	1,263,414		1,263,414	47	64,770	
1931		833,648	833,648	1,026,393		1,026,393		48,070	
1932		427,191	427,191	629,566		629,566		47,422	
1933		352,574	352,574	394,218		394,218			
1934		419,509	419,509	397,516		397,516		29,693	4,617
1935		527,113	527,113	572,115		572,115		80,168	9,153
1936		674,416	674,416	738,521		738,521		105,788	71,671
1937		1,091,741	1,091,741	1,066,909		1,066,909		94,943	218,781
1938		1,286,312	1,286,312	1,299,932		1,299,932		137,469	34,699
1939		1,028,834	1,028,834	1,122,541		1,122,541		139,349	33,622
1940		982,017	982,017	1,120,582		1,120,582		127,203	382,173
1941		1,417,655	1,417,655	1,851,988		1,851,988		127,203	332,280
1942		3,292,800	3,292,800	3,069,273		3,069,273		132,739	330,886
1943		5,943,917	6,229,932	3,069,273		3,069,273		166,653	335,194
1944	686,015	10,437,570	18,261,005	4,520,852		4,744,083		181,900	340,323
1945	7,823,435	8,770,694	18,034,313	5,284,146		9,668,956		328,795	414,531
1946	10,264,219	8,770,694	18,034,313	5,284,146		14,706,796		380,702	473,466
1947	9,857,889	8,846,917	18,704,806	4,879,715		10,627,213		371,999	596,137
1948	9,842,282	9,501,015	19,343,297	7,913,653		12,553,002		352,121	629,601
1949	11,533,577	9,404,204	20,937,781	6,055,096		9,076,757		1,597	708,794
	10,055,502	7,996,320	18,051,822	11,342,644		10,174,410		1,723	822,380
				211,025		11,553,669		6,138	735,781
									60,757

Footnotes at end of table.

TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1929-49*—Continued
 (In thousands of dollars)

Fiscal year	Liquor taxes					Miscellaneous internal revenue taxes—Continued				Stamp taxes			
	Distilled spirits	Fermented malt liquors	Wines	Other, including special taxes	Total liquor taxes	Cigarettes	Cigars	Other	Total tobacco taxes, etc.	Bonds, issues of capital stock, and deeds of conveyance, etc. ¹	Transfers of capital stock and similar interest sales	All other	Total stamp taxes
1929	11,599	—	293	894	12,777	342,034	22,872	69,539	434,445	17,868	37,596	8,709	64,174
1930	10,718	—	239	738	11,695	339,881	21,443	69,015	450,339	22,611	46,098	8,419	77,729
1931	9,577	—	225	625	10,432	338,961	18,296	67,019	444,277	14,757	25,520	6,676	46,954
1932	7,907	—	187	610	8,704	317,365	14,434	66,580	398,579	9,199	17,696	5,346	32,241
1933	6,745	33,090	210	509	48,174	328,440	11,479	62,821	402,739	16,035	33,188	8,115	57,338
1934	68,468	163,271	3,411	25,022	258,171	350,299	11,806	63,063	425,169	16,259	38,066	12,255	66,580
1935	165,539	211,214	6,780	40,926	406,459	425,372	11,439	61,865	488,776	17,935	15,747	9,451	43,133
1936	222,210	244,581	8,668	27,484	503,343	476,043	13,063	63,299	500,785	28,163	33,055	7,772	68,990
1937	273,635	277,435	5,601	32,759	592,831	493,432	12,479	61,846	557,777	28,652	31,351	9,917	69,919
1938	259,780	269,347	5,892	32,651	557,630	533,027	12,514	63,190	618,744	20,084	18,355	7,794	46,233
1939	283,401	259,696	6,392	32,113	577,605	533,027	12,514	63,190	618,744	19,366	17,064	4,652	41,083
1940	317,553	264,574	8,060	33,878	624,065	533,027	12,514	63,190	624,065	18,146	15,528	5,008	38,681
1941	428,462	316,737	11,423	63,247	819,869	616,756	13,132	67,405	697,712	22,073	12,176	4,808	39,057
1942	574,250	306,159	23,980	83,270	1,048,165	731,949	14,139	91,551	780,712	22,875	13,028	5,798	41,702
1943	781,707	455,634	33,663	152,476	1,423,480	825,260	23,172	63,125	925,837	21,766	15,585	7,805	45,155
1944	898,706	559,132	34,095	126,091	1,618,045	904,046	30,252	59,178	988,185	26,243	17,096	7,400	50,800
1945	1,484,303	638,682	47,391	139,487	2,309,864	826,753	39,678	57,094	1,324,543	33,137	54,852	7,518	65,528
1946	1,746,577	650,824	60,846	170,780	2,528,162	1,072,971	41,454	57,094	1,324,543	47,383	50,369	8,909	79,978
1947	1,685,362	661,418	57,196	70,780	2,474,756	1,145,268	48,354	41,136	1,237,768	47,383	50,369	8,909	79,978
1948	1,436,226	697,097	60,962	61,035	2,255,320	1,298,204	46,752	45,325	1,390,281	50,771	50,374	8,321	73,460
1949	1,397,949	686,368	65,782	60,304	2,210,601	1,232,735	45,590	43,550	1,321,875	46,067	17,910	8,251	72,528

Miscellaneous internal revenue taxes—Continued

Manufacturers' excise taxes ⁶

Fiscal year	Gasoline	Lubricating oils	Passenger automobiles and motorcycles	Auto-mobile trucks	Parts and accessories for automobiles	Tires and tubes	Electrical energy	Refrigerators, air conditioners, etc.	Radio receiving sets, phonographs, phonograph records	Musical instruments	Jewelry	Furs	Toilet preparations
1929													
1930													
1931													
1932													
1933	124,929	16,233	12,574	1,654	3,597	11,980	28,563	2,112	2,207		3,068	7,546	9,003
1934	202,575	25,255	32,527	5,018	5,696	27,630	53,134	5,530	3,157		4,069	7,635	10,813
1935	161,532	27,800	38,003	6,158	6,456	26,638	32,577	6,464	2,625		2,010	2,676	12,644
1936	177,340	27,103	48,201	7,000	7,110	32,208	33,575	7,693	3,075		2,011	3,321	13,302
1937	196,533	31,463	65,265	9,031	10,086	40,819	35,945	9,913	6,754		728	5,320	18,319
1938	203,648	31,565	43,365	6,697	7,989	31,517	38,455	8,825	6,549		398	5,342	16,337
1939	207,019	30,497	42,723	6,008	7,935	34,819	39,859	6,958	4,831			368	11,531
1940	226,187	31,293	59,331	7,866	10,630	41,555	40,339	9,954	6,465			100	7,738
1941	343,021	38,221	77,172	10,747	13,084	51,034	47,021	13,279	29,115		64	64	6,684
1942	369,587	46,432	81,403	18,361	28,988	64,811	49,978	18,246	38		38	46	3,552
1943	288,780	43,318	77,172	18,361	20,478	18,345	48,705	5,969	7,377		4	37	80
1944	271,217	52,473	1,222	4,230	31,553	40,334	51,269	2,400	1,633		14	15	20
1945	405,563	92,865	2,558	3,247	49,140	75,257	57,004	1,627	6,786		10	3	10
1946	403,695	74,692	25,893	57,141	68,871	118,692	59,112	9,229	2,829		(*)	14	3
1947	433,676	82,015	204,680	62,999	99,932	174,927	63,014	37,352	10,351		(*)	(*)	(*)
1948	478,638	80,887	270,958	91,963	122,957	159,284	69,701	58,473	74,799		(*)	(*)	(*)
1949	593,647	81,760	332,812	136,797	120,138	150,869	79,347	77,833	55,642		(*)	(*)	(*)

Footnotes at end of table.

TABLE 7.—*Internal revenue collections, by tax sources, fiscal years 1929-49*—Continued
[In thousands of dollars]

Fiscal year	Miscellaneous internal revenue taxes—Continued												
	Manufacturers' excise taxes— Continued			Retailers' excise taxes				Miscellaneous taxes					
	Luggage	All other	Total man- ufacturers' excise taxes	Jewelry	Furs	Toilet prepara- tions	Luggage, handbags, wallets	Total re- tailers' excise taxes	Telephone, telegraph, etc., includ- ing local service	Trans- portation of persons	Trans- portation of prop- erty	Admissions	
												General ad- missions	Cabarets
1929	5,712	5,712	5,712									5,419	664
1930	2,665	2,665	2,665									3,519	712
1931	138	138	138									2,271	508
1932	87	87	87									1,460	399
1933	16,534	243,600	243,600						14,565			14,771	750
1934	21,606	385,201	385,201						19,251			14,019	595
1935	15,362	342,115	342,115						19,741			14,426	954
1936	17,431	382,716	382,716						21,098			15,773	1,339
1937	19,777	450,581	450,581						24,570			18,185	1,555
1938	17,111	417,152	417,152						23,977			19,284	1,517
1939	4,340	396,975	396,975						24,094			18,029	1,442
1940	3,975	447,152	447,152						26,368			20,265	1,623
1941	5,842	617,373	617,373						27,331			68,620	2,343
1942	2,834	72,316	771,898	41,501	19,744	18,922		80,167	75,023	21,379		107,633	7,400
1943	5,682	58,576	504,746	88,396	44,223	32,677		165,266	158,161	87,132	82,556	138,054	16,397
1944	4,777	38,974	503,462	113,373	58,726	44,790	8,343	225,232	231,474	153,683	215,488	178,563	26,726
1945	6	69,602	782,511	184,220	79,418	86,615	73,851	424,105	341,587	234,182	221,088	300,589	56,877
1946	15	103,867	922,671	223,342	91,706	95,574	81,423	492,046	380,082	236,750	220,121	343,191	72,077
1947	49	185,135	1,425,395	236,615	97,481	95,542	84,588	514,227	417,691	244,003	275,701	392,873	63,350
1948	(*)	231,008	1,619,234	217,899	79,539	91,852	80,632	469,923	468,776	246,323	317,203	385,101	53,527
1949	(*)	223,363	1,771,533	210,688	61,946	93,969	82,607	449,211	535,910	251,359	337,030	385,844	48,857

Footnotes at end of table.

Fiscal year	Miscellaneous internal revenue taxes—Continued					Employment taxes			Agricultural adjustment taxes	Grand total
	Club dues and initiation fees	Miscellaneous taxes—Continued			Total miscellaneous internal revenue	Social security	Railroad retirement	Total employment taxes		
		Sugar	All other ¹	Total miscellaneous taxes						
1929	11,245		5,492	22,820	607,780					2,939,054
1930	12,521		5,891	22,642	629,887					3,040,146
1931	11,478		4,053	18,310	568,188					2,428,229
1932	9,205		3,939	13,439	500,972					1,557,729
1933	6,679		5,122	91,886	873,018					1,619,839
1934	5,986		112,052	151,902	1,481,169				371,423	2,672,239
1935	5,784		50,276	91,181	1,649,781				510,746	3,266,315
1936	6,091		28,695	72,997	2,004,513			48	62,323	3,494,331
1937	6,288		28,838	79,433	2,188,735	205,458		287	265,745	4,034,308
1938	6,551	30,569	33,206	117,041	2,272,158	593,185	149,476	149,476	742,660	5,043,848
1939	6,217	65,414	35,200	113,456	2,296,821	631,002	109,427	109,427	840,429	5,162,364
1940	6,335	68,115	26,125	148,801	2,359,611	711,473	122,048	122,048	833,521	5,322,771
1941	6,583	74,835	27,121	206,832	2,951,553	787,985	137,871	137,871	925,856	7,351,534
1942	6,290	114,049	400,505	400,505	3,897,670	1,014,953	170,409	170,409	1,185,362	13,029,915
1943	6,522	189,963	732,335	732,335	4,571,131	1,287,554	211,151	1,498,705	22,368,724	28,268,724
1944	9,182	68,789	191,497	1,075,402	5,353,336	1,473,361	295,011	1,768,372	1,779,177	40,110,510
1945	14,160	73,294	188,652	1,430,428	6,936,634	1,494,420	264,788	2,759,177	43,806,338	43,806,338
1946	18,899	56,732	172,077	1,489,929	7,712,956	1,416,570	281,258	1,700,828	40,071,922	40,071,922
1947	23,299	59,152	74,773	1,550,842	8,003,854	1,644,810	379,555	2,024,365	39,108,273	39,108,273
1948	25,490	71,247	88,053	1,655,711	8,311,003	1,821,229	560,113	2,381,342	41,864,536	41,864,536
1949	27,790	76,174	89,799	1,752,792	8,381,515	1,913,379	592,734	2,476,113	40,463,119	40,463,119

* Less than \$500.

† Revised.

NOTE.—Figures in this table, which are on a collection basis, differ generally from figures on the daily Treasury statement basis because the latter are compiled from daily reports from depositaries and offices holding Government funds, whereas collection basis figures are compiled from reports received from collectors of internal revenue. Amounts reported by collectors and depositaries do not coincide usually because collections made in the last few days of the fiscal year are not deposited until after its close and because certain taxes are paid directly into designated Federal depositories. Figures in this table agree in most instances with those on the warrant-issued basis in the annual Treasury publication, the *Combined Statement of Receipts, Expenditures and Balances of the United States Government*. Further explanation of bases of figures appears on p. 331.

Specific differences between this table and the other statements occur as follows. Individual income taxes on the collection basis and in the Combined Statement include collections from the Victory tax, which also was a withholding tax; but the daily Treasury statement includes Victory tax receipts under "Income tax; Other." Another difference is that collections of "Miscellaneous internal revenue" include taxes collected on firearms, shells, and cartridges under section 3407 of the Internal Revenue Code; whereas these collections and also the collections of the hydraulic mining tax are shown in the daily Treasury statement first as "Miscellaneous internal revenue" but subsequently they are transferred into special accounts under "Miscellaneous receipts." They are shown in the Combined Statement as "Miscellaneous receipts." The figures in this table for 1935 and subsequent years, with the exception mentioned in footnote 3, exclude collections for credit to specified trust accounts for certain insular possessions, etc. These trust account collections are shown in the appropriate trust accounts in the daily Treasury statement and in the Combined Statement.

For 1948 and 1949 the figures for repealed taxes except those shown separately in this table have been placed under "Miscellaneous taxes; All other."

† For figures for 1933-1935, see 1929 annual report, p. 419; and for 1916-28, see 1917 annual report, p. 310.

‡ Includes collections from Victory tax.

§ Includes income tax on Alaska Railroad except for 1935, 1936, and 1937, when these collections were credited to trust accounts.

¶ Includes unjust enrichment tax through 1917.

‡ Originally schedule A, act of Oct. 22, 1914; now includes also foreign insurance policies and passage tickets (the latter repealed Apr. 1, 1947).

§ Includes taxes on sales under act of Oct. 22, 1914; manufacturers', consumers', and dealers' excise taxes under war revenue and subsequent acts; and for 1932 and subsequent years, manufacturers' excise taxes under act of 1932, as amended. Soft drink taxes are included under "Miscellaneous taxes; All other."

¶ Included under "Miscellaneous taxes; All other."

‡ Includes collections from sources other than the miscellaneous taxes shown, and also (a) certain delinquent taxes collected under repealed laws, except automobile taxes for 1929 and 1930 which are included under "Manufacturers' excise taxes; All other," and capital stock taxes for 1929 and 1930 which are shown under "Capital stock"; (b) internal revenue collected through customs offices for 1929-33, subsequently such collections are included with "Distilled spirits"; (c) dividends and soft drink taxes; (d) taxes paid by manufacturers of and dealers in adulterated and process or renovated butter, mixed flour, and filled cheese; and (e) repealed taxes not separately shown.

TABLE 8.—*Customs collections ¹ and refunds, fiscal years 1948 and 1949*

[On basis of accounts of Bureau of Customs]

	1948	1949	Percentage increase, or decrease (—)
Collections:			
Duties:			
Consumption entries.....	\$257,796,554	\$254,682,273	-1.2
Warehouse withdrawals.....	140,329,308	115,639,652	-17.6
Mail entries.....	2,097,008	2,029,405	-3.2
Baggage entries.....	1,588,835	1,053,758	-33.7
Informal entries.....	2,031,337	1,796,308	-11.9
Appraisalment entries.....	244,028	248,990	2.0
Increased and additional duties.....	15,957,789	7,739,752	-51.5
Withheld duties.....	112,873	115,732	2.5
Other duties.....	739,950	838,792	13.4
Total duties.....	420,897,682	384,138,671	-8.7
Miscellaneous:			
Fines and penalties.....	435,063	399,258	-8.2
Forfeitures (including sale of seizures).....	461,685	453,071	-1.9
Liquidated damages.....	208,789	240,286	15.1
Sale of Government property, unclaimed and abandoned merchandise.....	155,897	127,642	-6.1
Tonnage tax and navigation fees.....	3,456,835	2,825,761	-18.3
All other customs receipts.....	230,018	286,037	24.4
Total miscellaneous.....	4,928,287	4,332,076	-13.1
Total customs collections.....	425,825,969	388,470,747	-8.8
Refunds:			
Excessive duties.....	8,665,743	7,357,466	-15.1
Drawback payments.....	10,304,554	9,537,577	-7.4
Other.....	79,986	59,088	-26.1
Total refunds.....	19,050,283	16,954,131	-11.0

NOTE.—Additional customs statistics will be found in tables 85 through 96.

¹ Excludes customs duties of Puerto Rico, which are deposited to the credit of the Government of Puerto Rico, but includes fines and other minor collections of Puerto Rico.

TABLE 9.—*Postal receipts and expenditures, fiscal years 1911-49*¹

Year	As reported by the Post Office Department				Treasury accounts	
	Postal revenues	Postal expenditures ²		Surplus, or deficit (—)	Surplus revenue paid into Treasury ⁴	Grants from Treasury to cover postal deficiencies ⁵
		Extraordinary expenditures as reported under act of June 9, 1930 ³	Other			
1911	\$237, 879, 824		\$237, 660, 705	\$219, 118		\$133, 784
1912	246, 744, 016		248, 529, 539	—1, 785, 523		1, 568, 195
1913	266, 619, 526		262, 108, 875	4, 510, 651		1, 027, 369
1914	287, 934, 566		283, 558, 103	4, 376, 463	\$3, 800, 000	
1915	287, 248, 165		298, 581, 474	—11, 333, 309	3, 500, 000	6, 636, 593
1916	312, 057, 689		306, 228, 453	5, 829, 236		5, 500, 000
1917	329, 726, 116		319, 889, 904	9, 836, 212	5, 200, 000	
1918	388, 975, 962		324, 849, 188	64, 126, 774	48, 630, 701	2, 221, 095
1919	436, 239, 126		362, 504, 274	73, 734, 852	89, 906, 000	343, 511
1920	437, 150, 212		418, 722, 295	18, 427, 917	5, 213, 000	6 114, 854
1921	463, 491, 275		619, 634, 948	—156, 143, 673		6 130, 128, 458
1922	484, 553, 541		545, 062, 241	—60, 808, 700	81, 494	6 64, 346, 235
1923	532, 827, 925		556, 893, 129	—24, 065, 204		32, 526, 915
1924	572, 948, 778		587, 412, 755	—14, 463, 976		12, 638, 850
1925	599, 591, 478		639, 336, 505	—39, 745, 027		23, 216, 784
1926	659, 819, 801		679, 792, 180	—19, 972, 379		39, 506, 490
1927	683, 121, 989		714, 628, 189	—31, 506, 201		27, 263, 191
1928	693, 633, 921		725, 755, 017	—32, 121, 096		32, 080, 202
1929	696, 947, 578		782, 408, 754	—85, 461, 176		94, 699, 744
1930	705, 484, 098	\$39, 669, 718	764, 030, 368	—98, 215, 987		91, 714, 451
1931	656, 463, 383	48, 047, 308	754, 482, 265	—146, 066, 190		145, 643, 613
1932	588, 171, 923	53, 304, 423	740, 418, 111	—205, 550, 611		202, 876, 341
1933	587, 631, 364	61, 691, 287	638, 314, 969	—112, 374, 892		117, 580, 192
1934	586, 733, 166	66, 623, 150	564, 143, 871	—44, 033, 835		52, 003, 296
1935	630, 795, 302	69, 537, 252	627, 066, 001	—65, 807, 951		38, 970, 405
1936	665, 343, 356	68, 585, 283	685, 074, 398	—88, 316, 324		86, 038, 862
1937	726, 201, 110	51, 587, 336	721, 228, 506	—46, 614, 732		41, 896, 945
1938	728, 634, 051	42, 799, 687	729, 645, 920	—43, 811, 556		44, 258, 861
1939	745, 955, 075	48, 540, 273	736, 106, 665	—38, 691, 863		41, 237, 263
1940	766, 948, 627	53, 331, 172	754, 401, 694	—40, 784, 239		40, 570, 336
1941	812, 827, 736	58, 837, 470	778, 108, 078	—24, 117, 812		30, 064, 048
1942	859, 817, 491	73, 916, 128	800, 040, 400	—14, 139, 037		18, 308, 869
1943	966, 227, 289	122, 343, 916	830, 191, 463	13, 691, 909		14, 620, 875
1944	1, 112, 877, 174	126, 639, 650	942, 345, 968	43, 891, 556	1, 000, 000	7 —28, 999, 995
1945	1, 314, 240, 132	116, 198, 782	1, 028, 902, 402	169, 138, 948	188, 102, 579	649, 769
1946	1, 224, 572, 173	100, 246, 983	1, 253, 406, 696	—129, 081, 506		160, 572, 098
1947	1, 299, 141, 041	92, 198, 225	1, 412, 600, 531	—205, 657, 715	12, 000, 000	241, 787, 174
1948	1, 410, 971, 281	96, 222, 339	1, 591, 583, 096	—276, 834, 152		* 310, 213, 451
1949	1, 571, 851, 202	120, 118, 663	2, 029, 203, 465	—577, 470, 926		524, 297, 262

¹ Revised.² For figures from 1789 through 1910, see Secretary's annual report for 1946, p. 419.³ Postal expenditures include adjusted losses, etc.—postal funds and expenditures from postal balances, but are exclusive of departmental expenditures in Washington, D. C., to the close of fiscal year 1922, and amounts transferred to the civil service retirement and disability fund, fiscal years 1921 to 1926, inclusive. For 1927 and subsequent years salary deductions are included in "Postal expenditures," the deductions having been paid to and deposited by disbursing clerks for credit of the retirement fund.⁴ See explanation in exhibit 31.⁵ On basis of warrants issued for 1914 and 1915, and on basis of daily Treasury statements from 1916 to date.⁶ On basis of warrants issued prior to 1922 and on basis of daily Treasury statements for 1922 and thereafter. Represents advances from the general fund of the Treasury to the Postmaster General to meet deficiencies in the postal revenues. These figures do not include any allowances for offsets on account of extraordinary expenditures or the cost of free mailings contributing to the deficiency of postal revenues certified to the Secretary of the Treasury by the Postmaster General pursuant to the act of Congress approved June 9, 1930. Excludes amounts transferred to the civil service retirement and disability fund under act of May 22, 1920 (41 Stat. 614), and amendments thereto on account of salary deductions of 2½ percent, as follows: 1921, \$6,519,683.59; 1922, \$7,899,066.25; 1923, \$8,284,081.00; 1924, \$8,679,658.60; 1925, \$10,266,977.00; and 1926, \$10,472,289.59. See note 2. Actual advances from general fund are reduced by repayments from prior year advances which are carried to surplus.⁷ Exclusive of general fund payments from the appropriation "Additional compensation, Postal Service" under authority of the act approved Nov. 8, 1919, in the amounts of \$35,698,400, \$1,374,015, and \$6,700 for 1920, 1921, and 1922, respectively.⁸ Repayment of unexpended portion of prior years' advances.

TABLE 10.—*Amounts deposited by the Federal Reserve Banks in the Treasury as miscellaneous receipts representing proceeds from interest charges on Federal Reserve notes, fiscal years 1947-49*

Federal Reserve Bank	Fiscal year 1947 ¹	Fiscal year 1948	Fiscal year 1949
Boston.....	\$960,683.70	\$6,700,507.33	\$12,456,620.50
New York.....	3,528,219.21	24,286,055.55	44,689,397.82
Philadelphia.....	1,134,944.56	7,369,832.86	13,529,144.71
Cleveland.....	1,296,184.36	9,575,478.48	17,906,917.56
Richmond.....	921,511.00	6,457,451.97	12,125,675.35
Atlanta.....	783,626.22	5,215,864.57	9,499,611.97
Chicago.....	2,701,961.59	13,278,254.09	26,742,689.97
St. Louis.....	577,202.93	5,124,016.79	10,087,837.53
Minneapolis.....	453,955.27	2,925,636.35	5,700,361.06
Kansas City.....	711,398.56	4,910,008.48	8,775,734.20
Dallas.....	538,062.85	4,305,735.21	8,363,120.55
San Francisco.....	1,661,133.22	9,632,717.19	17,082,969.89
Total.....	15,268,883.47	99,781,558.87	187,020,081.11

¹ Covers period January 1, 1947, through March 31, 1947.

PUBLIC DEBT, GUARANTEED OBLIGATIONS, ETC.

Outstanding public debt, guaranteed obligations, etc.

TABLE 11.—*Principal of the public debt, 1791-1949*¹

[On basis of Public Debt accounts from 1791 through 1919, and on basis of daily Treasury statements from 1920 to date, see p. 351.]

Date	Total gross debt	Date	Total gross debt	Date	Total gross debt
December 31—		December 31—		December 31—	
1791.....	\$75,463,477	1812.....	\$45,209,738	1833.....	\$7,001,699
1792.....	77,227,925	1813.....	55,962,828	1834.....	4,760,082
1793.....	80,358,634	1814.....	81,487,846	1835.....	37,733
1794.....	78,427,405	1815.....	99,833,660	1836.....	37,513
1795.....	80,747,587	1816.....	127,334,934	1837.....	336,958
1796.....	83,762,172	1817.....	123,491,965	1838.....	3,308,124
1797.....	82,664,479	1818.....	103,466,634	1839.....	10,434,221
1798.....	79,228,529	1819.....	95,529,648	1840.....	3,573,544
1799.....	78,408,670	1820.....	91,015,566	1841.....	5,250,876
1800.....	82,976,294	1821.....	89,987,428	1842.....	13,594,481
1801.....	83,038,051	1822.....	93,546,677	June 30—	
1802.....	80,712,632	1823.....	90,875,877	1843.....	32,742,922
1803.....	77,054,686	1824.....	90,269,778	1844.....	23,461,653
1804.....	86,427,121	1825.....	83,788,435	1845.....	15,925,303
1805.....	82,312,151	1826.....	81,054,060	1846.....	15,550,203
1806.....	75,729,271	1827.....	73,987,357	1847.....	38,826,535
1807.....	69,218,399	1828.....	67,475,044	1848.....	47,044,862
1808.....	65,196,318	1829.....	58,421,414	1849.....	63,061,859
1809.....	57,023,192	1830.....	48,565,407	1850.....	63,452,774
1810.....	53,173,218	1831.....	39,123,192	1851.....	68,304,796
1811.....	48,005,588	1832.....	24,322,235	1852.....	66,199,342

Footnotes at end of table.

TABLE 11.—*Principal of the public debt, 1791-1949*¹—Continued

June 30	Interest-bearing ²	Matured	Noninterest-bearing ³	Total gross debt	Gross debt per capita
1853	\$59,642,412	\$162,249		\$59,804,661	\$2.32
1854	42,044,517	199,248		42,243,765	1.59
1855	35,418,001	170,498		35,588,499	1.30
1856	31,805,180	168,801		31,974,081	1.13
1857	28,503,377	197,998		28,701,375	.99
1858	44,743,256	170,168		44,913,424	1.50
1859	58,333,156	165,225		58,498,381	1.91
1860	64,683,256	160,575		64,843,831	2.06
1861	90,423,292	159,125		90,582,417	2.80
1862	365,356,045	280,520	\$158,591,390	524,177,955	15.79
1863	707,834,255	171,970	411,767,456	1,119,773,681	32.91
1864	1,360,026,914	366,629	455,437,271	1,815,830,814	52.08
1865	2,217,709,407	2,129,425	458,090,180	2,677,929,012	75.01
1866	2,322,116,330	4,435,565	429,211,734	2,755,763,929	75.42
1867	2,238,954,794	1,739,108	409,474,321	2,650,168,223	70.91
1868	2,191,326,130	1,246,334	390,873,992	2,583,446,456	67.61
1869	2,151,495,065	5,112,034	388,503,491	2,545,110,590	65.17
1870	2,035,881,095	3,569,664	397,002,510	2,436,453,269	61.06
1871	1,920,696,750	1,948,902	399,406,489	2,322,052,141	56.72
1872	1,800,794,100	7,926,547	401,270,191	2,209,990,838	52.65
1873	1,696,483,950	51,929,460	402,796,935	2,151,210,345	50.02
1874	1,724,930,750	3,216,340	431,785,640	2,159,932,730	49.05
1875	1,708,676,300	11,425,570	436,174,779	2,156,276,649	47.84
1876	1,696,685,450	3,962,170	430,258,158	2,130,845,778	46.22
1877	1,697,888,500	16,648,610	393,222,793	2,107,759,903	44.71
1878	1,780,735,650	5,594,070	373,088,595	2,159,418,315	44.82
1879	1,887,716,110	37,015,380	374,181,153	2,298,912,643	46.72
1880	1,887,716,110	7,621,205	373,294,567	2,090,908,872	41.66
1881	1,709,993,100	7,723,615	386,994,363	2,019,285,728	39.18
1882	1,625,567,750	16,260,555	390,844,689	1,856,915,644	35.16
1883	1,449,810,400	7,831,165	389,898,603	1,721,958,918	31.83
1884	1,324,229,150	19,655,955	393,087,639	1,625,307,444	29.35
1885	1,212,563,850	4,100,745	392,299,474	1,578,551,169	27.86
1886	1,182,150,950	9,704,195	413,941,255	1,555,659,550	26.85
1887	1,132,014,100	6,114,915	451,678,029	1,465,485,294	24.75
1888	1,007,692,350	2,495,845	445,613,311	1,384,631,656	22.89
1889	936,522,500	1,911,235	431,705,286	1,249,470,511	20.23
1890	815,853,990	1,815,555	409,267,919	1,122,396,584	17.80
1891	711,313,110	1,614,705	393,662,736	1,005,806,561	15.63
1892	610,529,120	2,785,875	380,403,636	968,218,841	14.74
1893	585,029,350	2,094,060	374,300,606	961,431,766	14.36
1894	585,037,100	1,851,240	380,004,687	1,016,897,817	14.89
1895	635,041,890	1,721,590	378,989,470	1,096,913,120	15.76
1896	716,202,060	1,636,890	373,728,570	1,222,729,350	17.25
1897	847,363,890	1,346,880	378,081,703	1,226,793,713	16.99
1898	847,365,130	1,262,680	384,112,913	1,232,743,063	16.77
1899	847,367,470	1,218,300	389,433,654	1,436,700,704	19.21
1900	1,046,048,750	1,176,320	328,761,733	1,263,416,913	16.60
1901	1,023,478,860	1,415,620	233,015,585	1,221,572,245	15.74
1902	987,141,040	1,280,860	245,680,157	1,178,031,357	14.88
1903	931,070,340	1,205,090	243,659,413	1,159,405,913	14.38
1904	914,541,410	1,970,920	239,130,656	1,136,259,016	13.83
1905	895,157,440	1,370,245	235,828,510	1,132,357,095	13.51
1906	895,158,340	1,128,135	246,235,695	1,142,522,970	13.37
1907	895,159,140	1,086,815	251,257,098	1,147,178,193	13.19
1908	894,834,280	4,130,015	276,056,398	1,177,690,403	13.28
1909	897,503,990	2,883,855	232,114,027	1,148,315,372	12.69
1910	913,317,490	2,124,895	231,497,584	1,146,939,969	12.41
1911	915,353,190	1,879,830	236,751,917	1,153,984,937	12.29
1912	963,776,770	1,760,450	228,301,285	1,193,838,505	12.52
1913	965,706,610	1,659,550	225,681,585	1,193,047,745	12.27
1914	967,953,310	1,552,560	218,729,530	1,188,235,400	11.99
1915	969,759,090	1,507,260	219,997,718	1,191,264,068	11.85
1916	971,562,590	1,473,100	252,109,878	1,225,145,568	12.02
1917	2,712,540,477	14,232,230	248,836,878	2,975,618,585	28.77
1918	11,985,882,436	20,242,550	237,503,733	12,243,628,719	117.11
1919	25,234,496,274	11,109,870	236,428,775	25,482,034,419	242.54
1920	24,762,500,285	6,745,237	230,075,945	24,999,321,467	228.23
1921	23,738,900,085	10,688,160	227,862,308	23,977,450,553	220.91
1922	22,710,338,105	25,250,880	227,792,723	22,963,381,708	208.65
1923	22,007,043,612	98,738,910	243,924,844	22,349,707,365	199.64

Footnotes at end of table.

TABLE 11.—*Principal of the public debt, 1791-1949*¹—Continued

June 30	Interest-bearing ²	Matured	NonInterest-bearing ³	Total gross debt	Gross debt per capita
1924	\$20,981,242,042	\$30,278,200	\$239,292,747	\$21,250,812,989	\$186.23
1925	20,210,906,915	30,258,980	275,027,993	20,516,193,888	177.12
1926	19,383,770,860	13,359,900	246,085,555	19,643,216,315	167.32
1927	18,252,664,666	14,718,585	244,523,681	18,511,906,932	155.51
1928	17,317,694,182	45,335,060	241,263,959	17,604,293,201	146.09
1929	16,638,941,379	50,749,199	241,397,905	16,931,088,484	139.04
1930	15,921,892,350	31,716,870	231,700,611	16,185,309,831	131.51
1931	16,519,588,640	51,819,095	229,873,756	16,801,281,492	135.45
1932	19,161,273,540	60,079,385	265,649,519	19,487,002,444	156.10
1933	22,157,643,120	65,911,170	315,118,270	22,538,672,560	179.48
1934	26,480,487,870	54,266,830	518,386,714	27,053,141,414	214.07
1935	27,645,241,089	230,662,155	824,989,381	28,700,892,625	225.55
1936	32,988,790,135	169,363,395	620,389,964	33,778,543,494	263.79
1937	35,800,109,418	118,529,815	505,974,499	36,424,613,732	282.75
1938	36,575,925,880	141,362,460	447,451,975	37,164,740,315	286.27
1939	39,885,969,732	142,283,140	411,279,539	40,439,532,411	308.98
1940	42,376,495,928	204,591,190	386,443,919	42,967,531,038	325.59
1941	48,387,399,539	204,999,860	369,044,137	48,961,443,536	367.57
1942	71,968,418,098	98,299,730	355,727,288	72,422,445,116	537.80
1943	135,380,305,795	140,500,090	1,175,284,445	136,696,090,330	1,001.46
1944	199,543,355,301	200,851,160	1,259,180,760	201,003,387,221	1,455.67
1945	256,356,615,818	268,667,135	2,056,904,457	258,682,187,410	1,853.21
1946	268,110,872,218	376,406,860	934,820,095	269,422,099,173	1,907.62
1947	255,113,412,039	230,913,536	2,942,057,534	258,286,383,109	1,793.23
1948	250,063,348,379	279,751,730	1,949,146,403	252,292,246,513	1,721.30
1949	250,761,636,723	244,757,458	1,763,965,680	252,770,359,860	1,695.46

¹ Revised in accordance with Bureau of the Census estimated population for continental United States as of July 1.

² The outstanding principal of the public debt for the years 1791-1852, except for 1835, are taken from the annual report of the Secretary for 1909; the 1835 figure is taken from the annual reports of the Secretary for 1834-35, pp. 504 and 629. The detailed figures for 1791-1852 are not available on a basis comparable to those of subsequent years. Figures for 1853-85 are taken from the "Statement of Receipts and Expenditures of the Government from 1855 to 1885 and Principal of Public Debt from 1791 to 1885," compiled from the official records of the Register's office. From 1886-1919 the figures are taken from the monthly debt statements and revised figures published in the annual reports of the Secretary of the Treasury. From 1920 to date, the figures are taken from the Statement of the Public Debt published in the daily Treasury statements. From 1791-1842 the fiscal year ended December 31; and from 1843 to date the fiscal year ended June 30.

³ Exclusive of the bonds issued to the Pacific railways (provision having been made by law to secure the Treasury against both principal and interest) and the Navy pension fund (which was in no sense a debt, the principal being the property of the United States).

⁴ Includes old demand notes; United States notes (gold reserve deducted since 1900); postal currency and fractional currency less the amounts officially estimated to have been destroyed; deposits held by the Treasury for the retirement of Federal Reserve Bank notes, and for national bank notes of national banks failed, in liquidation, and reducing circulation, which prior to 1890 were not included in the published debt statements; and also special notes of U. S. issued to International Bank for Reconstruction and Development and International Monetary Fund. Does not include gold, silver, or currency certificates, or Treasury notes of 1890 for redemption of which an exact equivalent of the respective kinds of money or bullion was held in the Treasury.

TABLE 12.—*Public debt and guaranteed obligations, June 30, 1934-49*

June 30	Gross public debt	Guaranteed obligations held outside the Treasury ¹			Total gross public debt and guaranteed obligations	
		Interest-bearing	Matured	Total	Total	Per capita ²
1934	\$27,053,141,414	\$680,767,817	-----	\$680,767,817	\$27,733,909,231	\$219.46
1935	28,700,892,625	4,122,684,692	-----	4,122,684,692	32,823,577,316	257.95
1936	33,778,543,494	4,718,033,242	-----	4,718,033,242	38,496,576,735	300.63
1937	36,424,613,732	4,664,594,533	\$10,000	4,664,604,533	41,089,218,265	318.95
1938	37,164,740,315	4,852,559,151	232,500	4,852,791,651	42,017,531,967	323.65
1939	40,439,532,411	5,450,012,899	821,200	5,450,834,099	45,890,366,510	350.63
1940	42,967,531,038	5,497,556,555	31,514,100	5,529,070,655	48,496,601,693	367.48
1941	48,961,443,536	6,359,619,105	10,633,475	6,370,252,580	55,331,696,116	415.39
1942	72,422,445,116	4,548,529,255	19,730,375	4,568,259,630	76,990,704,746	571.72
1943	136,696,090,330	4,091,686,621	8,256,425	4,099,943,046	140,796,033,376	1,031.50
1944	201,003,387,221	1,515,638,626	107,430,675	1,623,069,301	202,626,456,522	1,467.43
1945	258,682,187,410	409,091,867	24,066,525	433,158,392	259,115,345,802	1,856.31
1946	269,422,099,173	466,671,984	9,712,875	476,384,859	269,898,484,033	1,910.99
1947	258,286,383,109	83,212,285	6,307,900	89,520,185	258,375,903,294	1,793.85
1948	252,292,246,513	68,768,043	4,692,775	73,460,818	252,365,707,331	1,721.80
1949	252,770,359,860	23,862,383	3,413,025	27,275,408	252,797,635,268	1,695.64

NOTE.—Gross public debt on basis of daily Treasury statements. Guaranteed obligations from 1934 through 1939 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements.

¹ Consists of obligations issued by certain Government corporations and credit agencies, obligations which are guaranteed by the United States as to both principal and interest. They were first authorized in 1932, but no such obligations were outstanding at the end of the fiscal years 1932 and 1933.

² Based on Bureau of the Census estimated population for continental United States as of July 1 of each year.

TABLE 13.—*Public debt, by security classes, June 30, 1939-49*

[In millions of dollars. On basis of daily Treasury statements, see p. 351]

Class	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945	June 30, 1946	June 30, 1947	June 30, 1948	June 30, 1949
Interest-bearing:											
Public issues:											
Marketable issues:											
Treasury bills											
Certificates of indebtedness	1,308	1,302	1,603	2,508	11,864	14,734	17,041	17,039	15,775	13,757	11,536
Treasury notes	7,243	6,383	5,698	3,096	16,561	17,405	34,136	34,804	25,296	22,588	29,427
Treasury bonds:											
Bank-eligible											3,596
Bank-restricted	25,218	26,555	30,215	37,202	48,809	58,083	69,693	65,864	69,686	62,826	60,789
Panama Canal loan bonds	50	50	50	882	8,711	21,161	36,756	53,459	49,636	49,636	49,636
Conversion bonds of 1946-47	29	29	29	29	29	29	29	50	50	50	50
Postal savings bonds	118	118	117	117	117	117	117	117	116	114	112
Total marketable issues	33,965	34,436	37,713	50,573	95,310	140,401	181,319	189,603	168,702	160,346	155,147
Nonmarketable issues:											
Treasury notes—tax series and savings series				3,015	7,495	9,557	10,136	6,711	5,560	4,394	4,860
United States savings bonds	1,868	2,905	4,314	10,188	21,256	34,605	45,386	49,035	51,367	53,274	56,260
Depository bonds				79	226	474	505	427	325	316	369
Armed forces leave bonds									1,793	563	596
Treasury bonds—investment series										959	954
Adjusted service bonds of 1945	283	261	241	229		217					
Total nonmarketable issues	2,151	3,166	4,555	13,510	28,200	44,855	56,226	56,173	59,045	59,506	62,839
Total public issues	36,116	37,602	42,267	64,083	124,509	185,256	237,545	245,779	227,747	219,852	217,986
Special issues:											
Adjusted service certificate fund (certificates)	20	11	19	18	18	17	14	12	12	6	6
Alaska Railroad retirement fund (notes)	1	1	1	1	2	2	2	3	3	3	3
Canal Zone Postal Savings System (notes)				1	1	4	4	4	4	4	4
Canal Zone retirement fund (notes)	4	4	5	7	8	9	10	11	12	13	14
Civil service retirement fund (notes)	465	550	645	783	1,060	1,451	1,848	2,155	2,435	2,795	3,258
Farm tenant mortgage insurance fund (notes)											
Federal Deposit Insurance Corporation (notes)	101	56	90	95	163	98	97	120	408	549	663
Federal home loan banks (notes)										37	117
Federal old-age and survivors insurance trust fund (certificates)						380	1,648	3,401	5,995	7,709	9,003
Federal old-age and survivors insurance trust fund (notes)		325	1,328	2,610	4,044	4,386	3,660	2,509	1,109		

Federal Savings and Loan Insurance Corporation (notes).....	4	5	5	106	27	37	49	62	74	95
Foreign service retirement fund (notes).....	4	5	5	5	6	7	8	9	10	12
Government life insurance fund (adjusted service bonds).....	500	500	500	500	500	500	500			
Government life insurance fund (certificates).....	36	31	37	38	2			1,254	1,286	1,318
Government life insurance fund (notes).....								682		
National mortgage life insurance fund (notes).....								2		
National service life insurance fund (notes).....								5,240	6,474	7,288
Old-age reserve account (notes).....	1,177	1,053	39	352	1,213	3,187	5,240	14	4	
Postal Savings System.....	128	97	55	197	264	461	779	1,621	1,909	1,949
Railroad retirement account (notes).....	67	79	92	178	319	501	657	806	1,374	1,730
Unemployment trust fund (certificates).....	1,267	1,710	3,114	4,257	5,610	6,747	6,689	7,142	7,500	7,340
War housing insurance fund (notes).....								3		
Total special issues.....	3,770	4,775	7,885	10,871	14,287	18,812	22,332	27,366	30,211	32,776
Total interest-bearing debt.....	30,886	42,376	71,968	135,380	199,543	256,357	268,111	255,113	250,063	250,762
Matured debt on which interest has ceased.....	142	205	98	141	201	269	376	231	280	245
Debt bearing no interest:										
Special notes of the United States:										
International Bank for Reconstruction and Development series.....										
International Monetary Fund series.....										
United States savings stamps.....				213	197	178	96	1,724	1,161	416
Excess profits tax refund bonds.....								58	52	1,063
United States notes (less gold reserve).....	191	191	191	191	191	191	191	191	191	5
Deposits for retirement of national bank and Federal Reserve Bank notes.....	215	190	159	766	732	655	584	517	459	407
Other debt bearing no interest.....	5	5	6	6	6	6	6	6	6	6
Total debt bearing no interest.....	411	386	356	1,175	1,259	2,057	935	2,942	1,949	1,761
Total gross debt.....	40,440	42,968	72,422	136,696	201,003	258,082	269,422	258,286	252,292	252,770

NOTE.—For information on composition of public debt beginning June 30, 1916, see 1947 annual report, p. 361.

For explanation, see table 116, footnote 5.

² Sales of these stamps commenced May 1, 1941, as a special defense series of postal savings stamps, which were obligations of Postal Savings System. Beginning Oct. 1, 1942, this special series was replaced by a Treasury issue of United States war savings stamps, and all outstanding stamps became public debt obligations.

TABLE 14.—*Guaranteed obligations held outside the Treasury,¹ classified by issuing Government corporations and other business-type activities, June 30, 1939–49*

[Face amount, in thousands of dollars]

Agency	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945	June 30, 1946	June 30, 1947	June 30, 1948	June 30, 1949
UNMATURED OBLIGATIONS											
Commodity Credit Corporation (notes, etc.)	206,174	406,794	696,252	701,054	480,065	561,202	375,161	424,147	45,002	41,763	10,909
Federal Farm Mortgage Corporation (bonds)	1,379,410	1,269,388	1,269,388	929,764	929,764						
Federal Housing Administration:											
Mutual mortgage insurance fund (debentures)	2,634	5,477	8,049	8,620	8,797	8,518	8,347	8,370	7,497	7,445	7,480
Housing insurance fund (debentures)		2,024	9,304	12,844	14,062	13,043	9,338	7,038	5,938	5,938	3,938
War housing insurance fund (debentures)					114,157	1,972	16,045	27,117	24,775	13,082	1,536
Public Housing Administration ² (notes)	114,157	114,157	226,256	114,157	114,157	754,904					
Home Owners' Loan Corporation (bonds)	2,927,949	2,603,360	2,408,921	1,552,839	1,533,482						
Reconstruction Finance Corporation (notes)	819,689	1,096,357	1,741,419	1,219,251	1,010,760	176,000					
Total unmatured obligations	5,450,013	5,497,557	6,359,619	4,548,529	4,091,687	1,515,639	409,092	466,672	83,212	68,768	23,862
MATURED OBLIGATIONS											
Commodity Credit Corporation				42	137	7	82				
Federal Farm Mortgage Corporation		354	142	13,977	1,959	42,913	7,836	3,714	2,425	1,738	1,188
Federal Housing Administration:											
Mutual mortgage insurance fund			26	13	16	17					
Public Housing Administration ²				5		66	8	2	2	2	1
Home Owners' Loan Corporation	821	31,161	10,466	5,292	5,863	64,251	16,128	5,988	3,875	2,953	2,224
Reconstruction Finance Corporation				401	281	176	19	8	3		
Total matured obligations	821	31,514	10,633	19,730	8,256	107,431	24,067	9,713	6,308	4,693	3,413
Total, based on guarantees	5,450,834	5,529,071	6,370,253	4,568,260	4,099,943	1,623,069	433,158	476,385	89,520	73,461	27,275

NOTE.—Figures for 1939 on basis of Public Debt accounts, and for 1940 and subsequent years on basis of daily Treasury statements. For reconciliation to basis of Public Debt accounts for 1949, see table 16.

¹ For obligations held by Treasury and reflected in the public debt, see table 67.² Pursuant to Reorganization Plan No. 3 of 1947, which became law on July 27, 1947, name changed from Federal Public Housing Authority to Public Housing Administration.

TABLE 15.—*Contingent liabilities, June 30, 1939-49*¹

[Face amount, in thousands of dollars]

	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945	June 30, 1946	June 30, 1947	June 30, 1948	June 30, 1949
ON CREDIT OF THE UNITED STATES											
U. S. Postal Savings System (funds due depositors).....	1,262,370	1,243,504	1,309,447	1,481,865	1,408,021	1,905,864	2,458,558	3,013,502	3,374,809	3,434,802	3,327,630
Canal Zone Postal Savings System (funds due depositors).....		2,238	3,153	5,772	7,531	8,548	9,446	9,782		9,371	9,171
Tennessee Valley Authority ² (bonds).....	8,300	8,300	8,300	8,300	8,300	6,300	6,300	2,000			
Total, based on credit of the United States.....	1,270,670	1,304,043	1,320,900	1,495,936	1,483,873	1,920,712	2,474,304	3,025,283	3,384,655	3,444,173	3,336,801
OTHER OBLIGATIONS											
Federal Reserve System (Federal Reserve notes).....	4,502,273	5,188,054	6,714,088	9,361,095	13,487,969	18,176,122	22,190,211	23,316,334	23,406,827	23,034,407	22,753,616

NOTE.—Figures through 1942 on basis of Public Debt accounts, and for 1943 and subsequent years on basis of daily Treasury statements.

¹ Does not include contingent liability on guaranteed and insured loans to veterans which, as of June 30, 1949, amounted to \$3,587,900,000; also does not include contingent liability on war production and contract termination guaranteed loans of the Department of the Army which, as of June 30, 1949, amounted to \$783,483.07.

² Bonds held by Reconstruction Finance Corporation.

TABLE 16.—*Summary of public debt and guaranteed obligations by security classes, June 30, 1919*

Class of security	Computed rate of interest ¹	Amount outstanding on basis of Public Debt accounts	Net adjustment to basis of Treasury statement ²	Amount outstanding on basis of daily Treasury statement
PUBLIC DEBT				
Interest-bearing debt:				
Public issues:				
Marketable obligations:				
Treasury bills	Percent	\$11,536,196,000.00		\$11,536,196,000.00
Certificates of indebtedness	3 1.176	29,427,581,000.00		29,427,496,000.00
Treasury notes	1.225	3,595,997,000.00	—\$85,000.00	3,595,997,000.00
Treasury bonds	1.375	110,425,623,550.00		110,425,623,550.00
Other bonds	2.313	162,036,440.00		162,036,440.00
	2.654			
Total marketable obligations	2.001	155,147,333,990.00	—85,000.00	155,147,248,990.00
Nonmarketable obligations:				
Treasury savings notes	1.290	4,849,303,100.00	+10,902,700.00	4,860,205,800.00
United States savings bonds	2.751	56,183,246,225.62	+76,520,682.21	56,259,766,907.83
Depository bonds	2.000	368,582,000.00		368,582,000.00
Armed forces leave bonds	2.500	395,072,675.00	+1,073,350.00	396,146,025.00
Treasury bonds, investment series	2.500	954,030,000.00		954,030,000.00
Total nonmarketable obligations	2.629	62,750,234,000.62	+88,496,732.21	62,838,730,732.83
Total public issues	2.182	217,897,567,990.62	+88,411,732.21	217,985,979,722.83
Special issues:				
Adjusted service certificate fund	4.000	5,563,000.00		5,563,000.00
Alaska Railroad retirement fund	4.000	3,447,000.00		3,447,000.00
Canal Zone Postal Savings System	2.000	3,000,000.00		3,000,000.00
Canal Zone retirement fund	3.981	13,918,500.00		13,918,500.00
Civil service retirement fund	3.997	3,238,384,500.00		3,238,384,500.00
Farm tenant mortgage insurance fund	2.000	1,000,000.00		1,000,000.00
Federal Deposit Insurance Corporation	2.000	666,000,000.00		666,000,000.00
Federal home loan banks	1.696	117,000,000.00		117,000,000.00
Federal life and survivors insurance trust fund	2.125	9,003,000,000.00		9,003,000,000.00
Federal Savings and Loan Insurance Corporation	2.000	96,422,000.00		96,422,000.00
Foreign service retirement fund	3.981	4,497,000.00		4,497,000.00
Government life insurance fund	3.900	1,318,000,000.00		1,318,000,000.00
National service life insurance fund	3.000	7,287,085,090.00		7,287,085,090.00

Postal Savings System.....	2,000	1,949,000,000.00		1,949,000,000.00
Railroad retirement account.....	3,000	1,720,000,000.00		1,720,000,000.00
Unemployment trust fund.....	2,125	7,340,000,000.00		7,340,000,000.00
Total special issues.....	2,595	32,775,657,000.00		32,775,657,000.00
Total interest-bearing debt.....				
Matured debt on which interest has ceased.....	2,236	250,673,224,990.62	+88,411,732.21	250,761,636,722.83
Debt bearing no interest:		348,790,135.26	-104,632,677.50	244,157,457.76
International Bank and Monetary Fund.....		1,103,785,000.00		1,103,785,000.00
Other.....		660,281,276.17	-100,596.43	660,180,679.74
Total gross public debt.....		252,786,081,402.05	-15,721,541.72	252,770,359,860.33
GUARANTEED OBLIGATIONS HELD OUTSIDE THE TREASURY				
Interest-bearing debt:				
Commodity Credit Corporation.....	1,433	9,352,994.15	+1,555,902.20	10,908,896.35
Federal Housing Administration.....	2,864	12,933,486.23		12,933,486.23
Total interest-bearing guaranteed debt.....	2,210	22,306,480.38	+1,555,902.20	23,862,382.58
Matured debt on which interest has ceased.....		3,404,625.00	+8,400.00	3,413,025.00
Total guaranteed obligations held outside the Treasury.....		25,711,105.38	+1,564,302.20	27,275,407.58
Total gross public debt and guaranteed obligations.....		252,811,792,507.43	-14,157,239.52	252,797,635,267.91

¹ Based on daily Treasury statement.

² Adjustment is occasioned by items in transit on June 30, 1949, not shown in daily Treasury statement.

³ Computed on true discount basis.

⁴ For details see table 18.

TABLE 17.—*Description of public debt issues outstanding June 30, 1949*
 [On basis of Public Debt accounts,¹² see p. 351]

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT									
Public issues									
Marketable:									
Treasury bills (maturity value), series maturing and approximately yielded to maturity (%) ¹³									
July 7, 1949—1.60	(1)	(a)	Apr. 7, 1949	July 7, 1949		{ \$99.707 { Cash— 155.407 { Exchange—	\$746,223,000.00		\$901,630,000.00
July 14, 1949—1.53	(1)	(a)	Apr. 14, 1949	July 14, 1949		{ 99.709 { Cash— 107.897 { Exchange—	794,209,000.00		902,106,000.00
July 21, 1949—1.57	(1)	(a)	Apr. 21, 1949	July 21, 1949		{ 99.708 { Cash— 253.846 { Exchange—	649,696,000.00		903,512,000.00
July 28, 1949—1.56	(1)	(a)	Apr. 28, 1949	July 28, 1949		{ 99.708 { Cash— 177.702 { Exchange—	774,358,000.00		902,060,000.00
Aug. 4, 1949—1.47	(1)	(a)	May 5, 1949	Aug. 4, 1949		{ 99.710 { Cash— 26.881 { Exchange—	775,106,000.00		801,987,000.00
Aug. 11, 1949—1.48	(1)	(a)	May 12, 1949	Aug. 11, 1949		{ 99.710 { Cash— 534.244 { Exchange—	880,846,000.00		900,331,000.00
Aug. 18, 1949—1.57	(1)	(a)	May 19, 1949	Aug. 18, 1949		{ 99.708 { Cash— 298.779 { Exchange—	524,244,000.00		803,023,000.00
Aug. 25, 1949—1.59	(1)	(a)	May 26, 1949	Aug. 25, 1949		{ 99.707 { Cash— 485.483 { Exchange—	419,041,000.00		904,524,000.00
Sept. 1, 1949—1.59	(1)	(a)	June 2, 1949	Sept. 1, 1949		{ 99.707 { Cash— 552.623 { Exchange—	348,538,000.00		901,161,000.00
Sept. 8, 1949—1.58	(1)	(a)	June 9, 1949	Sept. 8, 1949		{ 99.707 { Cash— 663.232 { Exchange—	552,623,000.00		904,588,000.00
Sept. 15, 1949—1.58	(1)	(a)	June 16, 1949	Sept. 15, 1949		{ 99.707 { Cash— 265.052 { Exchange—	642,485,000.00		907,537,000.00
Sept. 22, 1949—1.58	(1)	(a)	June 23, 1949	Sept. 22, 1949		{ 99.707 { Cash— 475.738 { Exchange—	427,236,000.00		902,974,000.00
Sept. 29, 1949—1.58	(1)	(a)	June 30, 1949	Sept. 29, 1949		{ 99.707 { Cash— 323.721 { Exchange—	577,042,000.00		900,763,000.00
Total Treasury bills.							11,536,196,000.00		11,536,196,000.00

Certificates of indebtedness:		July 1, 1948.	July 1, 1949.	July 1, 1949.	Exchange at par.		
1 $\frac{1}{2}$ % Series F-1949.	(c)	Oct. 1, 1948.	Oct. 1, 1949.	Oct. 1, 1949.	do.	5,782,890,000.00	5,782,890,000.00
1 $\frac{1}{2}$ % Series G-1949.	(c)	Dec. 15, 1948.	Dec. 15, 1949.	Dec. 15, 1949.	do.	6,535,161,000.00	6,535,161,000.00
1 $\frac{1}{2}$ % Series H-1949.	(c)	Jan. 1, 1949.	Jan. 1, 1950.	Jan. 1, 1950.	do.	519,153,000.00	519,153,000.00
1 $\frac{1}{2}$ % Series A-1950.	(c)	Feb. 1, 1949.	Feb. 1, 1950.	Feb. 1, 1950.	do.	5,694,596,000.00	5,694,596,000.00
1 $\frac{1}{2}$ % Series B-1950.	(c)	Mar. 1, 1949.	Mar. 1, 1950.	Mar. 1, 1950.	do.	1,993,250,000.00	1,993,250,000.00
1 $\frac{1}{2}$ % Series C-1950.	(c)	Apr. 1, 1949.	Apr. 1, 1950.	Apr. 1, 1950.	do.	2,921,536,000.00	2,921,536,000.00
1 $\frac{1}{2}$ % Series D-1950.	(c)	June 1, 1949.	June 1, 1950.	June 1, 1950.	do.	962,544,000.00	962,544,000.00
1 $\frac{1}{2}$ % Series E-1950.	(c)				do.	5,018,451,000.00	5,018,451,000.00
Total certificates of indebtedness.						29,427,581,000.00	29,427,581,000.00
Treasury notes:					Exchange at par.		
1 $\frac{3}{8}$ % Series A-1950.	(c)	Sept. 15, 1948.	Apr. 1, 1950.	Apr. 1, Oct. 1.		3,595,997,000.00	3,595,997,000.00
Treasury bonds:							
2% of 1949-51 (dated May 15, 1942).	(c)	May 15, 1942.	Called for redemption on Sept. 15, 1949.	Mar. and Sept. 15.	Par.	\$500.00	1,292,444,600.00
2% of 1949-51 (dated July 15, 1942).	(c)	July 15, 1942.	On and after Dec. 15, 1949; on Dec. 15, 1951.	June and Dec. 15.	Par.	2,500.00	2,097,615,100.00
3 $\frac{1}{8}$ % of 1949-52.	(c)	Dec. 15, 1934.	On and after Dec. 15, 1949; on Dec. 15, 1952.	do.	Par.	2,000.00	491,375,100.00
2 $\frac{1}{2}$ % of 1949-53.	(c)	Dec. 15, 1936.	On and after Dec. 15, 1949; on Dec. 15, 1953.	do.	Par.	1,000,641,950.00	1,000,641,950.00
					Exchange at par.	779,862,100.00	779,862,100.00
						1,786,504,050.00	1,786,504,050.00
					Par.	1,962,688,300.00	1,962,688,300.00
2% of 1950-52 (dated Oct. 19, 1942).	(c)	Oct. 19, 1942.	On and after Mar. 15, 1950; on Mar. 15, 1952.	Mar. and Sept. 15.	Par.	461,690,100.00	461,690,100.00
2 $\frac{1}{2}$ % of 1950-52.	(c)	Sept. 15, 1938.	On and after Sept. 15, 1950; on Sept. 15, 1952.	do.	Exchange at par	404,707,100.00	404,707,100.00
					Exchange at \$102.50.	319,444,500.00	319,444,500.00
						1,185,841,700.00	1,185,841,700.00
					Par.	4,439,261,000.00	4,439,261,000.00
2% of 1950-52 (dated Apr. 15, 1943).	(c)	Apr. 15, 1943.	On and after Sept. 15, 1950; on Sept. 15, 1952.	do.	Par.	2,500.00	4,939,258,500.00
1 $\frac{1}{2}$ % of 1950.	(c)	June 1, 1945.	On Dec. 15, 1950.	June and Dec. 15.	Par.	4,500.00	2,635,437,000.00
2 $\frac{3}{4}$ % of 1951-54.	(c)	June 15, 1936.	On and after June 15, 1951; on June 15, 1954.	do.	Par.	670,846,550.00	670,846,550.00
					Exchange at par.	955,841,600.00	955,841,600.00
						1,626,688,150.00	1,626,688,150.00

Footnotes at end of table.

TABLE 17.—Description of public debt issues outstanding June 30, 1949—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT —Continued									
Public issues —Continued									
Marketable—Continued									
Treasury bonds—Con.									
3½% of 1931-55.....	(1)	(c)	Sept. 15, 1931.....	On and after Sept. 15, 1951; on Sept. 15, 1955.	Mar. and Sept. 15.....	Par.....	\$800,424,000.00	\$44,945,000.00	\$755,429,000.00
2½% of 1931-53.....	(1)	(b)	Sept. 15, 1943.....	On and after Sept. 15, 1951; on Sept. 15, 1953.	do.....	Par..... Exchange at par.....	6,884,359,000.00 1,101,903,500.00	2,000.00	7,986,262,500.00
2¼% of 1931-53.....	(1)	(c)	Dec. 22, 1939.....	On and after Dec. 15, 1951; on Dec. 15, 1953.	June and Dec. 15.....	Par..... Exchange at par.....	100,000,000.00 1,018,051,100.00		1,118,051,100.00
2½% of 1931-55.....	(9)	(b)	Dec. 15, 1941.....	On and after Dec. 15, 1951; on Dec. 15, 1955.	do.....	Par.....	532,687,950.00	22,275,000.00	510,412,950.00
2½% of 1932-54.....	(1)	(b)	Mar. 31, 1941.....	On and after Mar. 15, 1952; on Mar. 15, 1954.	Mar. and Sept. 15.....	Par..... Exchange at par.....	576,145,150.00 447,423,200.00		1,023,568,350.00
2¼% of 1932-55.....	(1)	(b)	Feb. 25, 1942.....	On and after June 15, 1952; on June 15, 1955.	June and Dec. 15.....	Par.....	1,023,568,350.00 1,510,795,300.00	10,014,000.00	1,500,781,300.00
2½% of 1932-54 (dated June 26, 1944).	(1)	(b)	June 26, 1944.....	On and after June 15, 1952; on June 15, 1954.	do.....	Par.....	5,825,482,000.00	2,000.00	5,825,480,000.00
2½% of 1932-54 (dated Dec. 1, 1944).	(1)	(b)	Dec. 1, 1944.....	On and after Dec. 15, 1952; on Dec. 15, 1954.	do.....	Par..... Exchange at par.....	7,922,077,000.00 739,900,500.00		8,661,973,500.00

2½% of 1953-55.....	(t)	(c)	Oct. 7, 1940.....	On and after June 15, 1953; on June 15, 1955.	do.....	Exchange at par.....	724,677,900.00	724,677,900.00
2¼% of 1954-56.....	(t)	(c)	July 22, 1940.....	On and after June 15, 1954; on June 15, 1956.	do.....	Par.....	680,692,350.00	680,692,350.00
2½% of 1955-60.....	(t)	(c)	Mar. 15, 1935.....	On and after Mar. 15, 1955; on Mar. 15, 1960.	Mar. and Sept. 15	Exchange at par and \$100.50. \$101,56375..... 106,541,000.00 \$101,56250..... \$100,78125.....	2,304,429,200.00 101,971,000.00 106,541,000.00 98,215,000.00	
							2,611,156,200.00	65,050.00
2½% of 1956-58.....	(t)	(b)	June 2, 1941.....	On and after Mar. 15, 1956; on Mar. 15, 1958.	do.....	Par..... Exchange at par.....	661,750,800.00 786,996,850.00	
							1,448,746,650.00	1,000.00
2½% of 1956-59.....	(t)	(c)	Sept. 15, 1936.....	On and after Sept. 15, 1956; on Sept. 15, 1959.	do.....	Par.....	981,848,050.00	22,000.00
2¼% of 1956-59.....	(t)	(b)	Feb. 1, 1944.....	On and after Sept. 15, 1956; on Sept. 15, 1959. ⁶	do.....	Par..... Exchange at par.....	3,727,687,000.00 94,871,500.00	
							3,822,558,500.00	3,822,558,500.00
2¾% of 1958-63.....	(t)	(c)	June 15, 1938.....	On and after June 15, 1958; on June 15, 1963.	June and Dec. 15	Exchange at par.....	918,780,600.00	918,780,600.00
2¼% of 1959-62 (dated June 1, 1945).	(t)	(b)	June 1, 1945.....	On and after June 15, 1959; on June 15, 1962. ⁶	do.....	Par.....	5,284,068,500.00	4,500.00
2¼% of 1959-62 (dated Nov. 15, 1945).	(t)	(b)	Nov. 15, 1945.....	On and after Dec. 15, 1959; on Dec. 15, 1962. ⁶	do.....	Par.....	3,469,671,000.00	27,000.00
2¾% of 1960-65.....	(t)	(c)	Dec. 15, 1938.....	On and after Dec. 15, 1960; on Dec. 15, 1965.	do.....	Par..... Exchange at par..... Exchange at \$102.375.	402,892,800.00 188,196,700.00 894,295,600.00	
							1,485,385,100.00	500.00
							1,485,384,600.00	1,485,384,600.00

Footnotes at end of table.

TABLE 17.—Description of public debt issues outstanding June 30, 1949—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—Continued									
Marketable—Continued Treasury bonds—Con. 2½% of 1962-67.....	(1)	(b)	May 5, 1942.....	On and after June 15, 1962; on June 15, 1967. ⁵	June and Dec. 15.....	Par.....	\$2, 118, 164, 500.00	\$17, 000.00	\$2, 118, 147, 500.00
2½% of 1963-68.....	(1)	(b)	Dec. 1, 1942.....	On and after Dec. 15, 1963; on Dec. 15, 1968. ⁵	do.....	Par.....	2, 830, 914, 000.00	61, 500.00	2, 830, 852, 500.00
2½% of 1964-69 (dated Apr. 15, 1943).	(1)	(b)	Apr. 15, 1943.....	On and after June 15, 1964; on June 15, 1969. ⁵	do.....	Par.....	3, 761, 904, 000.00	551, 000.00	3, 761, 353, 000.00
2½% of 1964-69 (dated Sept. 15, 1943).	(1)	(b)	Sept. 15, 1943.....	On and after Dec. 15, 1964; on Dec. 15, 1969. ⁵	do.....	Par..... Exchange at par.....	3, 778, 754, 000.00 38, 444, 000.00		
2½% of 1965-70.....	(1)	(b)	Feb. 1, 1944.....	On and after Mar. 15, 1965; on Mar. 15, 1970. ⁶	Mar. and Sept. 15.....	Par..... Exchange at par.....	3, 838, 198, 000.00 5, 120, 861, 500.00 76, 533, 000.00	60, 500.00	3, 838, 137, 500.00
2½% of 1966-71.....	(1)	(b)	Dec. 1, 1944.....	On and after Mar. 15, 1966; on Mar. 15, 1971. ⁶	do.....	Par..... Exchange at par.....	5, 197, 394, 500.00 3, 447, 511, 500.00 33, 353, 500.00	200, 500.00	5, 197, 194, 000.00
2½% of 1967-72 (dated June 1, 1945).	(1)	(b)	June 1, 1945.....	On and after June 15, 1972; ⁶ on June 15, 1972. ⁶	June and Dec. 15.....	Par.....	3, 480, 865, 000.00 7, 967, 261, 000.00	20, 500.00 19, 500.00	3, 480, 844, 500.00 7, 967, 241, 500.00
2½% of 1967-72 (dated Oct. 20, 1941).	(1)	(b)	Oct. 20, 1941.....	On and after Sept. 15, 1967; on Sept. 15, 1972.	Mar. and Sept. 15.....	Par..... Exchange at par.....	2, 527, 073, 950.00 188, 971, 200.00 2, 716, 045, 150.00		2, 716, 033, 650.00

2½% of 1947-72 (dated Nov. 15, 1945). Total Treasury bonds.....	(c)	(d)	Nov. 15, 1945.....	On and after Dec. 15, 1947; on Dec. 15, 1972. ⁶	June and Dec. 15.....	Par.....	27,000.00	11,688,808,500.00	27,000.00	11,688,844,500.00
Other bonds:										
3% Panama Canal loan of 1961.	(c)	(d)	June 1, 1911.....	On June 1, 1961.....	Mar., June, Sept., and Dec. 1.....	\$102.582.....				
2½% Postal savings bonds (37th to 49th series).	(c)	(d)	July 1, 1929, and Jan. 1, July 1, 1930-35.....	1 year from date of issue; 29 years from date of issue.	Jan. and July 1.....	Par.....				
Total other bonds.....										
Total marketable.....										
Nonmarketable:										
Treasury savings notes, series and approximate yield if held to maturity (%):			First day of each month:	Redeemable in payment of Federal income, estate, or gift taxes after one full calendar month has elapsed between month notes were purchased and month in which tendered for taxes. Notes of Series C are redeemable for cash at the option of owner during and after the sixth calendar month and notes of Series D during and after the fourth calendar month after the month of issue as shown on the face of each note.	Interest is payable with principal at time of redemption. No interest is payable if note is insured in the name of a bank that accepts demand deposits unless note is acquired by such bank through forfeiture of a loan.	Par.....				
C-1930-1.07.....	(c)	(b)	July-Dec. 1946.....					1,411,184,100.00	925,024,300.00	485,159,800.00
C-1951-1.07.....	(c)	(b)	Jan.-Dec. 1947.....			do.....		2,905,000,300.00	2,067,325,900.00	837,674,400.00
D-1951-1.40.....	(c)	(b)	Jan.-Aug. 1948.....			do.....		980,796,500.00	693,544,000.00	287,252,500.00
D-1952-1.40.....	(c)	(b)	Sept.-Dec. 1948.....			do.....		2,062,588,300.00	365,039,300.00	1,697,549,000.00
	(c)	(b)	Jan.-June 1949.....			do.....		1,735,922,100.00	194,254,700.00	1,541,667,400.00
Total Treasury savings notes.....								9,065,491,300.00	4,246,188,200.00	4,849,303,100.00

Footnotes at end of table.

TABLE 17.—Description of public debt issues outstanding June 30, 1949—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT —Continued									
Public issues —Continued									
Nonmarketable—Continued									
United States savings bonds, series and approximate yield to maturity (%) : D-1939—2.90.....	(t)	(c)	First day of each month: July—Dec. 1939.	After 60 days from issue date, on demand at option of owner; 10 years from issue date. do	Sold at a discount; payable at par on maturity. do	\$75.00	\$517,260,020.25	\$131,809,837.25	\$385,390,183.00
D-1940—2.90.....	(t)	(c)	Jan.—Dec. 1940.	do	do	75.00	1,283,271,513.00	281,377,660.00	1,001,893,853.00
D-1941—2.90.....	(t)	(c)	Jan. and Feb. 1941.	do	do	75.00	407,362,583.25	77,395,373.25	329,967,210.00
D-1941—2.90.....	(t)	(b)	Mar. and Apr. 1941.	do	do	75.00	140,816,583.00	35,009,219.00	105,807,364.00
Total Series D.....							2,348,650,699.50	525,592,089.50	1,823,058,610.00
E-1941—2.90.....	(t)	(b)	May—Dec. 1941.	do	do	75.00	1,556,216,009.30	433,951,082.55	1,122,264,926.75
E-1942—2.90.....	(t)	(b)	Jan.—Dec. 1942.	do	do	75.00	6,888,387,461.43	2,806,844,465.31	4,021,542,996.12
E-1943—2.90.....	(t)	(b)	Jan.—Dec. 1943.	do	do	75.00	11,136,326,187.65	5,465,123,291.52	5,671,202,896.13
E-1944—2.90.....	(t)	(b)	Jan.—Dec. 1944.	do	do	75.00	13,007,657,573.40	6,590,213,989.33	6,447,443,584.07
E-1945—2.90.....	(t)	(b)	Jan.—Dec. 1945.	do	do	75.00	10,131,015,017.18	4,965,227,110.29	5,165,787,906.89
E-1946—2.90.....	(t)	(b)	Jan.—Dec. 1946.	do	do	75.00	4,426,480,905.10	1,750,563,449.97	2,675,917,455.13
E-1947—2.90.....	(t)	(b)	Jan.—Dec. 1947.	do	do	75.00	4,100,579,893.21	1,233,260,849.89	2,867,319,043.32
E-1948—2.90.....	(t)	(b)	Jan.—Dec. 1948.	do	do	75.00	4,213,424,707.19	858,775,242.79	3,354,649,464.40

E-1949-2.90	(1)	(6)	Jan.-June 1949	do	75.00	1,984,014,358.75	121,819,646.25	1,862,194,712.50
Total Series E						57,444,102,113.21	24,255,779,127.90	33,188,322,985.31
F-1941-2.53	(1)	(6)	May-Dec. 1941	After 6 months from issue date, on demand at option of owner on 1 month's notice; 12 years from issue date.	74.00	265,013,467.11	64,139,188.69	200,874,278.42
F-1942-2.53	(1)	(6)	Jan.-Dec. 1942	do	74.00	721,953,206.69	211,382,950.40	510,570,256.29
F-1943-2.53	(1)	(6)	Jan.-Dec. 1943	do	74.00	790,066,482.37	245,073,408.45	544,993,073.92
F-1944-2.53	(1)	(6)	Jan.-Dec. 1944	do	74.00	828,141,137.72	198,525,504.65	629,615,633.07
F-1945-2.53	(1)	(6)	Jan.-Dec. 1945	do	74.00	618,141,573.90	117,051,200.29	501,090,373.61
F-1946-2.53	(1)	(6)	Jan.-Dec. 1946	do	74.00	335,413,950.59	55,417,586.98	279,996,363.61
F-1947-2.53	(1)	(6)	Jan.-Dec. 1947	do	74.00	342,750,933.15	37,916,904.99	304,833,968.16
F-1948-2.53	(1)	(6)	Jan.-Dec. 1948	do	74.00	491,674,163.80	11,984,966.00	479,689,197.80
F-1949-2.53	(1)	(6)	Jan.-June 1949	do	74.00	135,189,693.50	23,569.00	135,166,124.50
Total Series F						4,523,344,608.83	941,515,339.45	3,581,829,269.38
G-1941-2.50	(1)	(6)	May-Dec. 1941	do	Par	1,277,267,800.00	204,281,700.00	1,072,986,100.00
G-1942-2.50	(1)	(6)	Jan.-Dec. 1942	do	do	2,495,045,200.00	446,575,200.00	2,048,470,000.00
G-1943-2.50	(1)	(6)	Jan.-Dec. 1943	do	do	2,598,128,500.00	483,893,300.00	2,114,235,200.00
G-1944-2.50	(1)	(6)	Jan.-Dec. 1944	do	do	2,894,068,000.00	451,344,700.00	2,442,723,300.00
G-1945-2.50	(1)	(6)	Jan.-Dec. 1945	do	do	2,542,310,900.00	326,846,000.00	2,215,464,900.00
G-1946-2.50	(1)	(6)	Jan.-Dec. 1946	do	do	2,663,887,700.00	288,136,700.00	2,375,751,000.00
G-1947-2.50	(1)	(6)	Jan.-Dec. 1947	do	do	2,247,223,700.00	169,123,000.00	2,078,100,700.00
G-1948-2.50	(1)	(6)	Jan.-Dec. 1948	do	do	2,541,966,300.00	51,971,000.00	2,489,995,300.00
G-1949-2.50	(1)	(6)	Jan.-June 1949	do	do	774,206,200.00	458,500.00	773,747,700.00
Total Series G						20,032,104,300.00	2,422,631,300.00	17,609,473,000.00
Unclassified sales and redemptions						109,937,428.14	129,375,067.21	\$ 19,437,639.07
Total United States savings bonds						84,458,130,149.68	28,274,892,924.06	56,183,246,225.62
Depository bonds:								
2% First Series	(1)	(6)	Various dates from: June 28, 1941	At any time upon 30 to 60 days' notice, on demand at option of owner; 12 years from issue date.	Par	683,170,750.00	413,918,250.00	269,252,500.00
2% Second Series	(1)	(6)	June 28, 1941	do	do	146,001,000.00	46,671,500.00	99,329,500.00
Total depository bonds						829,171,750.00	460,589,750.00	368,582,000.00

Footnotes at end of table.

TABLE 17.—Description of public debt issues outstanding June 30, 1949—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Public issues—Continued									
Nonmarketable—Con. Armed forces leave bonds:									
Series 1944	(1)	(c)	July 1, 1944	Upon death of holder or at any time in payment of premiums or in payment of the difference in reserve in case of conversion to insurance on another plan or in payment of a policy loan in addition to the July 31, 1946, on a United States Government life insurance policy or a national service life insurance policy; 5 years from date of issue.	Interest with principal is paid at time of redemption.	Par	\$9,809,200.00	\$7,630,575.00	\$2,178,625.00
			Oct. 1, 1944			do	11,722,075.00	9,339,725.00	2,382,350.00
Series 1945	(1)	(c)	Jan. 1, 1945			do	23,394,025.00	19,163,125.00	4,230,900.00
			Apr. 1, 1945			do	21,192,225.00	17,269,200.00	3,923,025.00
			July 1, 1945			do	66,458,750.00	54,875,050.00	11,583,700.00
			Oct. 1, 1945			do	261,483,000.00	213,935,100.00	47,547,900.00
Series 1946	(1)	(c)	Jan. 1, 1946			do	886,108,025.00	716,925,900.00	169,242,125.00
			Apr. 1, 1946			do	428,775,975.00	345,918,000.00	82,857,975.00
			July 1, 1946			do	154,380,500.00	124,933,525.00	29,446,975.00
			Oct. 1, 1946			do	182,141,650.00	136,587,250.00	45,554,400.00
Unclassified redemptions								3,875,300.00	\$ 3,875,300.00

Treasury bonds, investment series: 2½% Series A-1965	(1)	(2)	Oct. 1, 1947	On and after Apr. 1, 1948, on demand at option of owner on 1 month's notice; on Oct. 1, 1965.	Apr. 1, Oct. 1	do	969,980,000.00	15,930,000.00	954,030,000.00
Total nonmarketable							97,308,287,624.08	34,648,053,624.06	62,750,234,000.62
Total public issues							252,624,616,084.08	34,727,048,094.06	217,897,567,990.62
Special issues									
Adjusted service certificate fund: 4% Series 1950 (certificates).	(1)	(1)	Jan. 1, 1949	On demand; on Jan. 1, 1950.	Jan. 1	do	5,700,000.00	137,000.00	5,563,000.00
Alaska Railroad retirement fund (notes):			Various dates from June 30:	Redeemable after 1 year from date of issue and payable on June 30:					
4% Series 1950	(1)	(1)	1945	1950	June 30	do	557,000.00		557,000.00
4% Series 1951	(1)	(1)	1946	1951	do	do	637,000.00		637,000.00
4% Series 1952	(1)	(1)	1947	1952	do	do	1,027,000.00		1,027,000.00
4% Series 1953	(1)	(1)	1948	1953	do	do	871,000.00		871,000.00
4% Series 1954	(1)	(1)	June 30, 1949	1954	do	do	355,000.00		355,000.00
Canal Zone Postal Savings System (notes):			Various dates from June 30:						
2% Series 1951	(1)	(1)	1946	1951	June 30, Dec. 31	do	1,000,000.00		1,000,000.00
2% Series 1952	(1)	(1)	1947	1952	do	do	1,250,000.00		1,250,000.00
2% Series 1953	(1)	(1)	1948	1953	do	do	750,000.00		750,000.00
Canal Zone retirement fund (notes):									
4% Series 1950	(1)	(1)	1945	1950	June 30	do	2,377,000.00		2,377,000.00
4% Series 1951	(1)	(1)	1946	1951	do	do	4,477,000.00		4,477,000.00
4% Series 1952	(1)	(1)	1947	1952	do	do	2,727,000.00		2,727,000.00
4% Series 1953	(1)	(1)	1948	1953	do	do	2,930,000.00		2,930,000.00
4% Series 1954	(1)	(1)	June 30, 1949	1954	do	do	1,150,000.00		1,150,000.00
			Various dates from June 30:						
3% Series 1950	(1)	(1)	1945	1950	do	do	29,000.00		29,000.00
3% Series 1951	(1)	(1)	1946	1951	do	do	65,000.00		65,000.00
3% Series 1952	(1)	(1)	1947	1952	do	do	62,000.00		62,000.00
3% Series 1953	(1)	(1)	1948	1953	do	do	78,500.00		78,500.00
3% Series 1954	(1)	(1)	June 30, 1949	1954	do	do	23,000.00		23,000.00

Footnotes at end of table.

TABLE 17.—Description of public debt issues outstanding June 30, 1949—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Special issues—Continued									
Civil service retirement fund (notes):			Various dates from June 30:	Redeemable after 1 year from date of issue and payable on June 30:	June 30	Par	\$529,000,000.00		\$529,000,000.00
4% Series 1950	(1)	(f)	1945	1950	do	do	479,043,000.00		479,043,000.00
4% Series 1951	(1)	(f)	1946	1951	do	do	705,330,000.00		705,330,000.00
4% Series 1952	(1)	(f)	1947	1952	do	do	1,002,922,000.00		1,002,922,000.00
4% Series 1953	(1)	(f)	1948	1953	do	do	513,380,000.00		513,380,000.00
4% Series 1954	(1)	(f)	June 30, 1949	1954	do	do			
			Various dates from June 30:	Redeemable after 1 year from date of issue and payable on:	do	do	1,429,000.00		1,429,000.00
3% Series 1950	(1)	(f)	1945	1950	do	do	2,357,000.00		2,357,000.00
3% Series 1951	(1)	(f)	1946	1951	do	do	2,158,000.00		2,158,000.00
3% Series 1952	(1)	(f)	1947	1952	do	do	2,336,500.00		2,336,500.00
3% Series 1953	(1)	(f)	1948	1953	do	do	429,000.00		429,000.00
3% Series 1954	(1)	(f)	June 30, 1949	1954	do	do			
Farm tenant mortgage insurance fund:			June 30, 1949	Redeemable after 1 year from date of issue and payable on:	do	do			
			Various dates from Mar. 18, 1948:	Dec. 31, 1952	June 30, Dec. 31	do	1,000,000.00		1,000,000.00
2% Series 1952 (notes)	(1)	(f)	Various dates from:	Dec. 1, 1951	June 1, Dec. 1	do	516,000,000.00	\$79,000,000.00	437,000,000.00
Federal Deposit Insurance Corporation (notes):			Dec. 26, 1946	Dec. 1, 1952	do	do	149,000,000.00		149,000,000.00
2% Series 1951	(1)	(f)	Jan. 19, 1948	Dec. 1, 1953	do	do	80,000,000.00		80,000,000.00
2% Series 1952	(1)	(f)	Dec. 1, 1948		do	do			
2% Series 1953	(1)	(f)			do	do			
Federal home loan banks (notes):									
1 3/4% Series 1952	(1)	(f)	Jan. 30, 1948	June 30, 1952	June 30, Dec. 31	do	42,800,000.00	39,300,000.00	3,500,000.00
1 3/4% Series 1953	(1)	(f)	July 22, 1948	June 30, 1953	do	do	75,900,000.00	20,900,000.00	55,000,000.00
2% Series 1953	(1)	(f)	Oct. 8, 1948	June 30, 1953	do	do	50,000,000.00		50,000,000.00
1 1/4% Series 1953	(1)	(f)	Various dates from Mar. 31, 1949	June 30, 1953	do	do	8,300,000.00		8,300,000.00

TABLE 17.—Description of public debt issues outstanding June 30, 1949—Continued

Title of loan and rate of interest	Authorizing act	Tax status	Date of loan	When redeemable or payable	Interest payment date	Average price received (per \$100)	Amount issued	Amount retired	Amount outstanding
INTEREST-BEARING DEBT—Continued									
Special issues—Continued									
Postal Savings System (notes):			Various dates from:	Redeemable after 1 year from date of issue and payable on June 30:					
2% Series 1950	(1)	(f)	July 3, 1945	1950	June 30, Dec. 31	Par	\$618,000,000.00	\$474,000,000.00	\$144,000,000.00
2% Series 1951	(1)	(f)	July 3, 1946	1951	do	do	820,000,000.00	5,000,000.00	815,000,000.00
2% Series 1952	(1)	(f)	June 30, 1947	1952	do	do	890,000,000.00		890,000,000.00
2% Series 1953	(1)	(f)	Mar. 17, 1949	1953	do	do	100,000,000.00		100,000,000.00
Railroad retirement account (notes):			Various dates from June 30:						
3% Series 1951	(1)	(f)	1946	1951	June 30	do	315,000,000.00	28,500,000.00	286,500,000.00
3% Series 1952	(1)	(f)	1947	1952	do	do	778,000,000.00		778,000,000.00
3% Series 1953	(1)	(f)	1948	1953	do	do	609,000,000.00		609,000,000.00
3% Series 1954	(1)	(f)	June 30, 1949	1954	do	do	46,500,000.00		46,500,000.00
Unemployment trust fund:									
2½% Series 1950 (certificates).	(1)	(f)	do	On demand; on June 30, 1950.	June 30, Dec. 31	do	7,340,000,000.00		7,340,000,000.00
Total special issues							33,422,494,000.00	646,837,000.00	32,775,657,000.00
Total interest-bearing debt							286,047,110,084.08	35,373,885,094.06	250,673,224,990.62

[illegible]

Footnotes at end of table.

TABLE 17.—*Description of public debt issues outstanding June 30, 1949—Continued*

Title of loan	Amount issued	Amount retired	Amount outstanding
DEBT BEARING NO INTEREST			
Special notes of the United States (issued pursuant to the provisions of the Bretton Woods Agreements Act, approved July 31, 1945, and under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended. The notes are nonnegotiable, bear no interest, and are payable on demand):			
International Bank for Reconstruction and Development series:			
Series dated Nov. 21, 1945.....			\$23,285,000.00
Series dated Feb. 24, 1947.....			8,750,000.00
Series dated May 23, 1947.....			8,750,000.00
Total.....			40,785,000.00
International Monetary Fund series:			
Series dated Feb. 26, 1947.....			1,063,000,000.00
United States savings stamps (Public Debt Act of 1942).....			51,931,184.69
Excess profits tax refund bonds (issued under the authority of and subject to the provisions of the Second Liberty Bond Act, as amended, and sections 780 to 783, inclusive, of the Internal Revenue Code, as amended. Issued in series depending upon the tax years for which credits are available and in amounts certified to the Secretary of the Treasury by the Commissioner of Internal Revenue. Bear no interest and mature at yearly intervals after the cessation of hostilities, as provided by section 780 (E) of the Internal Revenue Code, as amended, and are redeemable at the option of the owner on or after January 1, 1946):			
First Series.....			2,230,234.19
Second Series.....			2,566,756.62
Total.....			4,796,990.81
Old demand notes (Acts of July 17, 1861 (12 Stat. 259); Aug. 5, 1861 (12 Stat. 313); Feb. 12, 1862 (12 Stat. 338). Greatest amount ever authorized to be outstanding, \$60,000,000.)			
Fractional currency (Acts of July 17, 1862 (12 Stat. 592); Mar. 3, 1863 (12 Stat. 711); June 30, 1864 (13 Stat. 229). Greatest amount ever authorized to be outstanding, \$30,000,000)	10 \$60,030,000.00		52,917.50
Legal tender notes (Acts of Feb. 25, 1862 (12 Stat. 345); July 11, 1862 (12 Stat. 532); Mar. 3, 1863 (12 Stat. 710); May 31, 1878 (20 Stat. 87); Mar. 14, 1900 (31 Stat. 45); Mar. 4, 1907 (34 Stat. 1206). Greatest amount ever authorized to be outstanding, \$430,000,000)	10 368,721,080.00	(1)	1,967,565.60
Less gold reserve.....	346,681,016.00		346,681,016.00
National bank notes (redemption account) (The act of July 14, 1890 (26 Stat. 289), provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks and all deposits thereafter received for like purpose shall be covered into the Treasury as a miscellaneous receipt, and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of such banks which may come into his possession subject to redemption, and the balance remaining of the deposits so covered shall, at the close of each month, be reported on the monthly public debt statement as debts of the United States bearing no interest. Authorized to be outstanding at one time indefinite)			156,039,480.93
Thrift and Treasury savings stamps, uncanceled sales, etc.....			407,167,640.50
Total debt bearing no interest.....			3,723,392.00
			1,784,066,276.17

Gross debt (including \$6,551,062,450.28 debt incurred to finance expenditures of Government corporations for which obligations of such corporations are held by the Treasury)	252,786,081,402.05
Guaranteed obligations not held by the Treasury	25,711,105.38
Total gross public debt and guaranteed obligations	252,811,792,507.43

1 September 24, 1917, as amended.
2 August 5, 1909, February 4, 1910, and March 2, 1911.
3 June 25, 1910.

4 Various.
5 Treasury bills are noninterest-bearing and are sold on a discount basis on competitive bids for each issue. The average sale price of these series gives an approximate yield on a bank discount basis (360 days a year) as indicated opposite each issue of bills. This yield differs slightly from the yield on a true discount basis (365 days a year) which is shown in the summary table 16.
6 Redeemable, at par and accrued interest, to date of payment, at any time upon the death of the owner at the option of the duly constituted representative of the deceased owner's estate, provided entire proceeds of redemption are applied to payments of the Federal estate taxes due from deceased owner's estate.
7 Amounts issued and retired for Series D to F, inclusive, include accrued discount; amounts outstanding are stated at current redemption values. Amounts issued, retired, and outstanding for Series G are stated at par value.
8 Deduct.
9 For detailed information and amounts outstanding June 30, 1929, see table 24 in annual report for 1929, p. 450.
10 Includes amounts authorized to be outstanding at present time and amounts issued on deposits including reissues.
11 After deducting amounts officially estimated to have been lost or irrevocably destroyed.
12 For summary on basis of daily Treasury statement, see table 16.

TAX EXEMPTIONS (Attention is invited to Treasury Decision 4550, ruling that bonds, notes, bills, and certificates of indebtedness of the Federal Government or its agencies, and the interest thereon, are not exempt from the gift tax):
a Any income derived from Treasury bills, whether interest or gain from their sale or other disposition does not have any exemption, as such, and loss from the sale or other disposition of any such bills does not have any special treatment, as such, under the Internal Revenue Code or laws amendatory or supplementary thereto. The bills are subject to estate, inheritance, gift or other excise taxes whether Federal or State, but are exempt from all taxation, now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which the bills are originally sold by the United States is to be considered to be interest.
b Income derived from these securities is subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. The securities are subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. The following is applicable to savings bonds only: For the

purposes of taxation any increment in value of savings bonds represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

c Exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of bonds authorized by the act approved September 24, 1917, as amended, the principal of which does not exceed in the aggregate \$5,000 owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. The following is applicable to savings bonds only: For the purposes of determining taxes and tax exemptions the increment in value of savings bonds is represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest.

d Exempt from the payment of all taxes or duties of the United States, as well as from all taxation in any form by or under State, municipal, or local authority. (The Supreme Court has held that this exemption does not extend to estate or inheritance taxes imposed by Federal or State authority.)

e Interest on these bonds is subject to all taxes now or hereafter imposed under the Internal Revenue Code or laws amendatory or supplementary thereto. Principal is exempt from taxation.

f These issues being investments of various Government funds and payable only for the account of such funds have no present tax liability.

In hands of foreign holders.—Applicable only to securities issued prior to March 1, 1941: Bonds, notes, and certificates of indebtedness of the United States, shall, while beneficially owned by a nonresident alien individual, or a foreign corporation, partnership, or association, not engaged in business in the United States, be exempt, both as to principal and interest, from any and all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority.

MEMORANDUM RELATING TO OTHER OBLIGATIONS

Obligations of the United States payable on presentation:	Amount
Matured interest obligations outstanding	\$136,974,614.08
Interest accrued on Treasury savings notes (including tax series) and adjusted service bonds	50,115,583.17
Discount accrued on Treasury (war) savings certificates, matured series	3,050,475.90
Settlement warrant checks outstanding	2,478,122.29
Total	192,618,794.54

¹ Obligations listed are unconditionally guaranteed as to principal and interest.

² For obligations held by Treasury and reflected in the public debt, see table 68.

³ Does not include accrued interest.

⁴ Income derived from these securities is subject to all Federal taxes, now or hereafter imposed. Securities are subject to surtaxes, estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on principal or interest thereof by any State, municipality, or local taxing authority.

⁵ Represents drafts and bills of exchange as of May 31, 1949, paid by commercial banks for account of Commodity Credit Corporation.

⁶ National Housing Act, amended by National Housing Act Amendments of 1938, approved Feb. 3, 1938, reads in part as follows: "Such debentures as are issued in exchange for property covered by mortgages insured under sec. 203 or sec. 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holder of the debentures. * * * Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority."

Under Public Debt Act of 1941 interest upon and gain from sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

⁷ Payable 3 years after the first day of July following the maturity date of the mortgage for which each debenture was issued.

⁸ Redeemable on any interest day or days, on 3 months' notice.

⁹ With reference to debentures issued prior to Mar. 1, 1941, in name of housing insurance fund, the National Housing Act Amendments of 1938, approved Feb. 3, 1938, states that "Such debentures as are issued in exchange for mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority." Under Public Debt Act of 1941 interest upon and gain from sale of debentures shall have no exemption under Federal tax acts now or hereafter enacted, except such debentures as may be issued on contracts entered into prior to Mar. 1, 1941.

¹⁰ Funds have been deposited with Treasurer of the United States for payment of outstanding matured principal and interest.

¹¹ Amount outstanding on basis of Public Debt accounts is shown in table 16.

TABLE 19.—Description of contingent liabilities outstanding June 30, 1949 ¹

[On basis of daily Treasury statements, see p. 351]

Title and authorizing act	Tax status	Date of issue	Payable	Interest payable	Rate of interest	Amount		
						Principal	Accrued interest	Total
ON CREDIT OF THE UNITED STATES								
U. S. Postal Savings System—funds due depositors, act of June 25, 1910, as amended. ²	(2)	Date of deposit.	On demand.	(4)	Percent	\$3, 327, 630, 184.00	\$112, 226, 769.92	\$3, 439, 856, 953.92
Carul Zone Postal Savings System—funds due depositors, act of June 13, 1940. ²	(2)	do.	do.	(4)	2	9, 170, 985.00	270, 000.60	9, 440, 985.60
Total						3, 336, 801, 169.00	112, 496, 770.52	3, 449, 297, 939.52
OTHER OBLIGATIONS								
Federal Reserve notes (face amount), act of Dec. 23, 1913, as amended. ⁷								\$22, 753, 616, 234.73

¹ Does not include contingent liability on guaranteed and insured loans to veterans which, as of June 30, 1949, amounted to \$3,587,900,000; also does not include contingent liability of war production and contract termination guaranteed loans of the Department of the Army which, as of June 30, 1949, amounted to \$973,483.07.

² The faith of the United States is solemnly pledged to payment of deposits made in postal savings depository offices with accrued interest thereon.

³ Under Public Debt Act of 1941, income derived from deposits made subsequent to Mar. 1, 1941, is subject to all Federal taxes.

⁴ Interest payable quarterly from first day of month next following date of deposit.

⁵ Figures are as of March 31, 1949, the latest available. Offset by cash in designated depository banks amounting to \$7,127,586.12, which is secured by the pledge of collateral as provided in the Regulations of the Postal Savings System, having a face value of \$7,227,000; cash in possession of System amounting to \$170,792,062.87; Government securities with a face value of \$3,254,681,176; and other net assets of \$12,491,831.54.

⁶ Figures are as of May 31, 1949, the latest available. Offset by cash on hand and in depository banks amounting to \$369,256.66; Government securities with a face value of \$9,350,000; and other assets.

⁷ Federal Reserve notes are obligations of the United States and shall be receivable by all national and member banks and Federal Reserve Banks and for all taxes, customs, and other public dues. They are redeemable in lawful money on demand at the Treasury Department, in the city of Washington, D. C., or at any Federal Reserve Bank.

⁸ Figures are as of May 31, 1949, the latest available. In actual circulation, exclusive of \$591,947,910.27 redemption fund deposited in the Treasury and \$657,254,295 of their own Federal Reserve notes held by the issuing banks. The balances and in credits with the Federal Reserve notes issued consists of \$13,554,000,000 in gold certificates and in amount of Treasurer of the United States payable in gold certificates, \$11,625,000,000 face amount of United States Government securities, and \$85,003,000 face amount of commercial paper. Notes issued by a Federal Reserve Bank are a first lien against the assets of such Bank.

TABLE 20.—*Statutory limitation on the public debt and guaranteed obligations, June 30, 1949*

[In millions of dollars]

PART I. STATUS UNDER LIMITATION, JUNE 30, 1949

	Amount
Maximum amount of securities which may be outstanding at any one time, under limitations imposed by section 21 of the Second Liberty Bond Act, as amended	275,000
Amount of securities outstanding subject to such statutory debt limitation:	
U. S. Government securities issued under the Second Liberty Bond Act, as amended	252,000
Guaranteed securities (excluding those held by the Treasury)	27
Total amount of securities outstanding subject to statutory debt limitation	252,028
Balance issuable under limitation	22,972

PART II. APPLICATION OF LIMITATION TO PUBLIC DEBT AND GUARANTEED OBLIGATIONS OUTSTANDING JUNE 30, 1949

Class of security	Subject to statutory debt limitation	Not subject to statutory debt limitation	Total outstanding
Public debt:			
Interest-bearing securities:			
Marketable:			
Treasury bills	11,536		11,536
Certificates of indebtedness	29,427		29,427
Treasury notes	3,596		3,596
Treasury bonds—bank-eligible	60,789		60,789
Treasury bonds—bank-restricted ¹	49,636		49,636
Postal savings and Panama Canal bonds		162	162
Total marketable	154,985	162	155,147
Nonmarketable:			
U. S. savings bonds (current redemption value)	56,260		56,260
Treasury savings notes	4,860		4,860
Depository bonds	369		369
Armed forces leave bonds	396		396
Treasury bonds, Investment series	954		954
Total nonmarketable	62,839		62,839
Special issues to Government agencies and trust funds	32,776		32,776
Total interest-bearing securities	250,600	162	250,762
Matured securities on which interest has ceased	240	4	245
Debt bearing no interest:			
United States savings stamps	52		52
Excess profits tax refund bonds	5		5
Special notes of the United States:			
International Monetary Fund series	1,063		1,063
International Bank for Reconstruction and Development series	41		41
United States notes (less gold reserve)		191	191
Deposits for retirement of national bank and Federal Reserve Bank notes		407	407
Other debt bearing no interest		6	6
Total debt bearing no interest	1,160	604	1,764
Total public debt	252,000	770	252,770
Guaranteed securities (excluding those held by the Treasury):			
Interest-bearing	24		24
Matured	3		3
Total guaranteed securities	27		27
Total public debt and guaranteed securities	252,028	770	252,798

¹ Issues which commercial banks may not acquire prior to a specified date (with minor exceptions). See table 116, footnote 5.

Receipts (issues)	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
Public issues:						
Marketable obligations:						
Certificates of indebtedness, special series:						
Treasury bills	\$2,022,838,000.00	\$2,371,277,000.00	\$2,964,456,000.00	\$2,609,237,000.00	\$220,000,000.00 2,658,553,000.00	\$19,572,788,000.00
Subtotal	2,022,838,000.00	2,371,277,000.00	2,964,456,000.00	2,609,237,000.00	30,857,911,000.00	19,572,788,000.00
Exchanges:						
Certificates of indebtedness:						
Treasury bills	1,993,330,000.00	2,921,586,000.00	962,544,000.00		29,428,383,000.00	22,387,787,000.00
Treasury notes	1,384,388,000.00	2,153,946,000.00	644,852,000.00	800,628,000.00	18,499,629,000.00 3,565,967,000.00	38,991,087,000.00 7,026,868,000.00
Subtotal	3,377,718,000.00	5,075,532,000.00	1,607,396,000.00	800,628,000.00	51,524,009,000.00	69,205,742,000.00
Total marketable obligations	5,400,556,000.00	7,446,809,000.00	4,571,852,000.00	3,409,865,000.00	82,381,920,000.00	88,778,530,000.00
Nonmarketable obligations:						
Adjusted service bonds:						
Armed forces leave bonds	8,950.00	5,700.00	6,850.00	7,750.00	11,700.00	214,250.00
Depository bonds	52,850.00	50,225.00	50,225.00	21,400.00	28,000.00	234,128,650.00
Excess profits tax refund bonds ²	3,135,000.00	7,897,500.00	12,613,000.00	5,543,500.00	15,030,000.00	28,117,000.00
Treasury bonds, investment series:						
Treasury savings notes					^a 799,331.37	^a 121,887.48
United States savings bonds:						
Issue price	164,159,400.00	202,275,400.00	262,299,400.00	325,393,600.00	614,119,500.00	969,960,000.00
Accrued discount	599,139,580.40	589,641,955.36	454,202,158.40	433,320,965.58	3,994,193,700.00	2,143,838,500.00
United States savings stamps	66,185,122.82	69,031,089.10	64,243,696.58	73,444,991.83	7,140,994,385.53	6,234,093,848.93
Subtotal	1,301,964.49	1,716,176.00	1,358,192.14	1,262,739.04	15,471,404.86	17,863,136.51
Total nonmarketable obligations	833,982,867.71	870,618,045.46	794,749,799.25	838,970,946.45	12,163,489,520.89	10,433,297,653.50
Total public issues	6,234,538,867.71	8,317,427,045.46	5,366,601,799.25	4,248,835,946.45	94,545,409,520.89	99,211,827,653.50

Footnotes at end of table.

TABLE 21.—Public debt receipts and expenditures, by security classes, monthly for fiscal year 1949 and totals for 1948 and 1949—Continued

Receipts (issues)	Fiscal year 1949						
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949
Special issues:							
Adjusted service certificate fund (certificates)							\$5,700,000.00
Alaska Railroad retirement fund (notes)	\$317,000.00		\$11,000.00		\$40,000.00		20,000.00
Canal Zone Postal Savings System (notes)					13,000.00		
Canal Zone retirement fund (notes)	1,177,000.00			\$7,000.00		\$8,000.00	
Civil service retirement fund (notes)	230,452,000.00	\$18,929,500.00	12,934,000.00	9,075,000.00	9,050,000.00	7,220,000.00	20,573,000.00
Farm tenant mortgage insurance fund (notes)							
Federal Deposit Insurance Corporation (notes)	44,000,000.00						
Federal home loan banks (notes)	23,200,000.00		5,500,000.00	61,900,000.00	11,500,000.00	10,000,000.00	50,000,000.00
Federal old-age and survivors insurance trust fund (certificates)						1,500,000.00	13,800,000.00
Federal Savings and Loan Insurance Corporation (notes)			365,000,000.00			300,000,000.00	
Foreign service retirement fund (notes)	1,000,000.00	1,000,000.00	1,000,000.00	500,000.00	1,000,000.00	3,000,000.00	1,350,000.00
Government life insurance fund (certificates)	2,161,000.00		9,000.00	5,000.00		6,000.00	
Housing insurance fund (notes)							
Mutual mortgage insurance fund (notes)							
National service life insurance fund (notes)	25,000,000.00	10,000,000.00	15,000,000.00	10,000,000.00	15,000,000.00	5,000,000.00	5,000,000.00
Postal Savings System (notes)							
Railroad retirement account (notes)	347,500,000.00			72,000,000.00	167,000,000.00	80,000,000.00	72,000,000.00
Unemployment trust fund (certificates)		141,000,000.00					
War housing insurance fund (notes)							
Total special issues	672,707,000.00	170,929,500.00	399,454,000.00	153,487,000.00	203,603,000.00	406,734,000.00	108,443,000.00
Total public debt receipts	13,310,477,281.59	4,361,807,767.51	10,401,704,634.54	11,383,016,870.03	4,444,586,218.20	7,126,320,687.82	10,552,142,566.35

Receipts (issues)	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949	
Special issues:						
Adjusted service certificate fund (certificates)		\$35,000.00	\$17,000.00	\$18,000.00	\$773,000.00	\$6,000,000.00
Alaska Railroad retirement fund (notes)						\$42,000.00
Canal Zone, Postal Savings System (notes)			7,000.00	87,500.00	1,391,000.00	750,000.00
Canal Zone retirement fund (notes)	\$10,000.00	84,000.00				2,790,000.00
Civil service retirement fund (notes)	18,550,000.00	27,030,000.00	27,800,000.00	30,470,000.00	541,672,000.00	873,363,000.00
Farm tenant mortgage insurance fund (notes)						1,000,000.00
Federal Deposit Insurance Corporation (notes)	8,000,000.00		2,000,000.00		10,000,000.00	392,000,000.00
Federal home loan banks (notes)		11,000,000.00	2,000,000.00	4,000,000.00		42,800,000.00
Federal old-age and survivors insurance trust fund (certificates)		200,000,000.00				8,359,000,000.00
Federal Savings and Loan Insurance Corporation (notes)	750,000.00	800,000.00	1,200,000.00	6,000,000.00	12,800,000.00	33,050,000.00
Foreign service retirement fund (notes)	15,000.00	9,000.00	6,000.00	43,500.00	1,800,500.00	4,055,000.00
Government life insurance fund (certificates)					1,318,000,000.00	1,286,500,000.00
Housing insurance fund (notes)						2,000,000.00
Mutual mortgage insurance fund (notes)						6,500,000.00
National service life insurance fund (notes)	15,000,000.00	5,000,000.00	5,000,000.00	30,000,000.00	2,116,000,000.00	1,281,700,000.00
Postal Savings System (notes)		10,000,000.00			75,000,000.00	865,000,000.00
Railroad retirement account (notes)			73,000,000.00		50,000,000.00	792,000,000.00
Unemployment trust fund (certificates)	39,000,000.00			67,000,000.00	7,340,000,000.00	8,115,000,000.00
War housing insurance fund (notes)						7,500,000.00
Total special issues	81,325,000.00	313,958,000.00	111,000,000.00	153,219,000.00	20,820,906,500.00	22,077,855,000.00
Total public debt receipts	6,315,863,807.71	8,631,385,045.46	5,477,691,799.25	4,402,054,946.45	31,795,243,825.48	121,289,082,653.50

Footnotes at end of table.

Expenditures (retirements)	Fiscal year 1949					Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949	June 1949		
Public issues:							
Marketable obligations:							
Certificates of indebtedness	\$191,396,000.00	\$630,364,000.00	\$895,837,000.00	\$5,699,000.00	\$189,053,000.00	\$1,806,297,000.00	\$4,365,436,200.00
Certificates of indebtedness, special series					220,000,000.00	220,000,000.00	
Postal savings bonds	32,760.00	25,500.00	10,660.00	11,060.00	8,800.00	2,048,360.00	1,544,260.00
Treasury bills	2,034,997,000.00	2,847,088,000.00	3,080,277,000.00	2,607,580,000.00	2,659,200,000.00	32,849,126,000.00	21,590,977,000.00
Treasury bonds	3,129,430.00	2,495,650.00	1,721,800.00	1,455,150.00	91,280,200.00	652,993,700.00	1,630,493,800.00
Treasury notes	4,080,350.00	2,280,500.00	952,000.00	924,000.00	1,410,600.00	571,286,950.00	313,542,600.00
Other debt items	89,723.25	32,781.00	42,082.50	101,400.25	237,833.75	1,183,495.50	1,108,458.00
Subtotal	2,233,734,283.25	3,482,286,731.00	3,178,841,142.50	2,615,770,610.25	3,161,600,433.75	36,102,905,505.50	27,903,102,318.00
Exchanges:							
Certificates of indebtedness	1,993,500,000.00	2,921,586,000.00	962,544,000.00		4,105,798,000.00	20,783,107,000.00	20,947,375,000.00
Treasury bills	1,384,388,000.00	2,153,946,000.00	644,852,000.00	800,628,000.00	1,858,490,000.00	18,499,629,000.00	38,991,087,000.00
Treasury bonds	30,000.00				1,432,608,000.00	1,432,608,000.00	5,175,280,000.00
Treasury notes						10,806,065,000.00	4,092,050,000.00
Subtotal	3,377,718,000.00	5,075,532,000.00	1,607,396,000.00	800,628,000.00	6,876,856,000.00	51,524,006,000.00	69,205,742,000.00
Total marketable obligations	5,611,452,283.25	8,557,818,731.00	4,786,237,142.50	3,416,398,610.25	10,038,456,433.75	87,626,914,505.50	97,108,904,318.00
Nonmarketable obligations:							
Adjusted service bonds	185,750.00	206,500.00	177,850.00	191,400.00	188,800.00	2,507,750.00	4,088,800.00
Armed forces leave bonds	10,396,225.00	11,481,625.00	11,128,325.00	10,298,400.00	10,311,850.00	171,053,775.00	1,462,948,400.00
Depository bonds	9,396,000.00	1,988,000.00	3,423,000.00	851,000.00	783,000.00	27,200,500.00	37,489,000.00
Excess profits tax refund bonds ²	353,054.82	229,177.94	285,014.64	102,414.13	150,137.35	3,205,168.61	10,183,879.36
Special notes of the United States:							
International Bank series		25,000,000.00				25,000,000.00	350,000,000.00
International Monetary Fund series	24,000,000.00	8,30,000.00	15,000,000.00			98,000,000.00	563,000,000.00
Treasury bonds, investment series	115,000.00		450,000.00	150,000.00		5,320,000.00	10,610,000.00
Treasury tax and savings notes:							
Cash redemptions	116,980,800.00	135,284,725.00	126,572,475.00	97,938,200.00	147,204,750.00	2,078,942,925.00	1,972,147,725.00
Received for taxes	29,364,150.00	334,067,250.00	35,228,150.00	25,323,425.00	301,612,000.00	1,452,602,725.00	1,331,052,675.00
United States savings bonds	368,528,242.23	439,746,298.78	398,083,345.03	414,703,178.26	451,075,944.87	5,007,374,781.20	5,112,915,229.69
United States savings stamps	1,792,862.35	2,287,892.80	2,163,113.60	1,547,732.05	2,022,859.05	22,068,085.50	29,319,502.00
Total nonmarketable obligations	561,121,084.40	958,321,570.52	592,511,273.27	551,195,749.44	943,474,391.27	8,983,284,710.31	10,883,755,211.05
Total public issues	6,172,573,367.65	9,516,140,301.52	5,378,748,415.77	3,967,594,359.69	10,981,930,795.02	96,580,194,215.81	107,992,659,529.05

Footnotes at end of table.

TABLE 21.—Public debt receipts and expenditures, by security classes, monthly for fiscal year 1949 and totals for 1948 and 1949—Continued

Expenditures (retirements)	Fiscal year 1949						
	July 1948	August 1948	September 1948	October 1948	November 1948	December 1948	January 1949
Special issues:							
Adjusted service certificate fund (certificates)		\$70,000.00		\$100,000.00	\$50,000.00	\$30,000.00	\$5,570,000.00
Adjusted service certificate fund (notes)	\$30,000.00					15,000.00	
Armed Forces Postal Savings System (notes)							
Armed Forces Postal Savings System (notes)	40,000.00	40,000.00	\$190,000.00	75,000.00	35,000.00	173,000.00	65,000.00
Armed Forces Postal Savings System (notes)	7,000,000.00	7,500,000.00	4,500,000.00	315,000.00	2,500,000.00	3,500,000.00	3,720,000.00
Armed Forces Postal Savings System (notes)							
Armed Forces Postal Savings System (notes)		7,000,000.00					
Federal Deposit Insurance Corporation (notes)				51,300,000.00			
Federal home loan banks (notes)							
Federal home loan banks (notes)	3,500,000.00						
Federal old-age and survivors insurance trust fund (certificates)	20,000,000.00			20,000,000.00			
Federal old-age and survivors insurance trust fund (certificates)							
Federal old-age and survivors insurance trust fund (notes)							
Federal Savings and Loan Insurance Corporation (notes)							
Foreign service retirement fund (notes)	85,000.00		25,000.00		50,000.00	60,000.00	
Government life insurance fund (certificates)				30,000.00	1,000,000.00		
Housing insurance fund (notes)				1,000,000.00			
Mutual mortgage insurance fund (notes)							
National service life insurance fund (notes)	15,000,000.00	15,000,000.00		15,000,000.00			
National Savings System (notes)	21,500,000.00	21,000,000.00	21,000,000.00	22,500,000.00	23,500,000.00	23,000,000.00	23,500,000.00
Railroad retirement account (notes)	30,000,000.00	20,000,000.00	40,000,000.00	35,000,000.00		65,000,000.00	90,000,000.00
Unemployment trust fund (certificates)							
War housing insurance fund (notes)							
Total special issues	97,155,000.00	70,590,000.00	65,715,000.00	151,323,000.00	27,135,000.00	91,775,000.00	122,855,000.00
Other obligations:							
National and Federal Reserve Bank notes	5,768,120.00	4,250,925.00	3,202,400.00	3,930,680.00	3,985,270.00	4,332,000.00	5,660,901.00
Old demand notes and fractional currency					554.53		
Total other obligations	5,768,120.00	4,250,925.00	3,202,400.00	3,930,680.00	3,985,824.53	4,332,000.00	5,660,901.00
Total public debt expenditures	12,228,971,767.84	4,686,197,728.84	10,763,702,935.40	11,610,131,308.98	4,398,758,115.55	6,831,786,987.18	10,731,314,982.90
Excess of receipts, or expenditures (—)	1,081,505,513.75	—324,389,961.33	—361,998,300.86	—227,114,438.95	45,798,102.65	238,533,700.64	—179,172,416.55

Expenditures (retirements)	Fiscal year 1949				Total fiscal year 1949	Total fiscal year 1948
	February 1949	March 1949	April 1949	May 1949		
Special issues:						
Adjusted service certificate fund (certificates)			\$37,000.00		\$100,000.00	\$12,450,000.00
Alaska Railroad retirement fund (notes)	\$65,000.00			\$35,000.00	239,000.00	452,000.00
Canal Zone Postal Savings System (notes)						1,250,000.00
Canal Zone retirement fund (notes)	50,000.00	\$115,000.00	170,000.00	55,000.00	825,000.00	1,890,000.00
Civil service retirement fund (notes)	7,000,000.00	20,015,000.00	20,000,000.00	22,000,000.00	411,989,000.00	519,983,000.00
Federal Deposit Insurance Corporation (notes)						
Federal home loan banks (notes)						
Federal old-age and survivors insurance trust fund (certificates)						251,000,000.00
Federal old-age and survivors insurance trust fund (notes)			20,000,000.00		54,800,000.00	5,400,000.00
Federal Savings and Loan Insurance Corporation (notes)					8,913,000,000.00	6,645,000,000.00
Foreign service retirement fund (notes)	25,000.00		45,000.00			1,109,000,000.00
Government life insurance fund (certificates)	2,000,000.00	10,000.00	4,000,000.00	45,000.00	10,300,000.00	20,800,000.00
Housing insurance fund (notes)					1,615,000.00	1,638,000.00
Mutual mortgage insurance fund (notes)					1,256,500,000.00	1,254,000,000.00
National service life insurance fund (notes)					2,000,000.00	2,000,000.00
Postal Savings System (notes)			15,000,000.00		4,000,000.00	17,000,000.00
Railroad retirement account (notes)	23,000,000.00	23,000,000.00	24,000,000.00	24,500,000.00	1,901,000,000.00	820,700,000.00
Unemployment trust fund (certificates)	5,000,000.00	143,000,000.00	121,000,000.00	25,000,000.00	60,000,000.00	580,000,000.00
War housing insurance fund (notes)					275,000,000.00	223,000,000.00
					7,994,000,000.00	7,757,000,000.00
Total special issues	37,140,000.00	192,140,000.00	204,252,000.00	71,665,000.00	19,959,723,000.00	19,233,073,000.00
Other obligations:						
National and Federal Reserve Bank notes	5,276,760.00	2,873,035.00	5,737,290.00	3,843,830.00	51,511,211.00	58,086,710.00
Old demand notes and fractional currency					192.21	10.13
Total other obligations	5,276,760.00	2,873,035.00	5,737,290.00	3,843,830.00	51,511,957.74	58,086,720.13
Total public debt expenditures	6,214,990,127.65	9,711,153,336.52	5,588,737,705.77	4,043,103,189.69	30,914,303,987.23	127,283,819,249.18
Excess of receipts, or expenditures (—)	100,873,740.06	—1,079,708,291.06	—111,045,906.52	358,951,756.76	117,723,182,173.55	—5,994,136,595.68

* Counter entry (deduct).

† For figures for 1933-37, see annual report for 1937, pp. 334-337, and for later years see corresponding tables in subsequent reports.

‡ Transferable and negotiable after formal cessation of hostilities, Dec. 31, 1946.

TABLE 22.—*Changes in public debt issues, fiscal year 1949*
 [On basis of Public Debt accounts, see p. 351]

Title	Outstanding June 30, 1948	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1949
INTEREST-BEARING DEBT					
Public issues					
Marketable:					
Treasury bills (maturity value), series maturing:					
July 1, 1948	\$1,200,262,000.00		\$1,200,262,000.00		
July 8, 1948	1,205,467,000.00		1,205,467,000.00		
July 15, 1948	1,006,587,000.00		1,006,587,000.00		
July 22, 1948	1,001,576,000.00		1,001,576,000.00		
July 29, 1948	1,005,649,000.00		1,005,649,000.00		
Aug. 5, 1948	905,450,000.00		905,450,000.00		
Aug. 12, 1948	1,005,625,000.00		1,005,625,000.00		
Aug. 19, 1948	1,003,991,000.00		1,003,991,000.00		
Aug. 26, 1948	1,107,810,000.00		1,107,810,000.00		
Sept. 2, 1948	1,100,707,000.00		1,100,707,000.00		
Sept. 9, 1948	1,104,507,000.00		1,104,507,000.00		
Sept. 16, 1948	1,103,631,000.00		1,103,631,000.00		
Sept. 23, 1948	1,005,955,000.00		1,005,954,000.00	\$461,000.00	
Sept. 30, 1948		\$1,101,896,000.00	1,101,896,000.00		
Oct. 7, 1948		1,102,048,000.00	1,102,048,000.00		
Oct. 14, 1948		906,053,000.00	906,053,000.00		
Oct. 21, 1948		908,800,000.00	908,800,000.00		
Oct. 28, 1948		903,689,000.00	903,689,000.00		
Nov. 4, 1948		803,692,000.00	803,692,000.00		
Nov. 12, 1948		800,198,000.00	800,188,000.00	10,000.00	
Nov. 18, 1948		900,798,000.00	900,795,000.00		
Nov. 26, 1948		1,000,376,000.00	1,000,376,000.00		
Dec. 2, 1948		1,000,750,000.00	1,000,750,000.00		
Dec. 9, 1948		1,001,528,000.00	1,001,513,000.00	15,000.00	
Dec. 16, 1948		1,100,816,000.00	1,100,816,000.00		
Dec. 23, 1948		1,003,796,000.00	1,000,792,000.00	4,000.00	
Dec. 30, 1948		1,102,403,000.00	1,102,404,000.00	1,000.00	
Jan. 6, 1949		1,102,403,000.00	1,101,319,000.00		
Jan. 13, 1949		902,139,000.00	902,139,000.00	68,000.00	
Jan. 20, 1949		901,234,000.00	901,234,000.00		
Jan. 27, 1949		901,199,000.00	901,175,000.00		
Feb. 3, 1949		801,447,000.00	800,874,000.00	24,000.00	
Feb. 10, 1949		901,433,000.00	901,433,000.00	573,900.00	
Feb. 17, 1949		802,975,000.00	802,975,000.00		
Feb. 24, 1949		900,224,000.00	900,224,000.00	15,000.00	
Mar. 3, 1949		900,656,000.00	900,609,000.00		
Mar. 10, 1949		905,248,000.00	905,244,000.00	4,000.00	
Mar. 17, 1949		1,103,366,000.00	1,103,366,000.00		
Mar. 24, 1949		1,001,038,000.00	1,001,036,000.00	2,000.00	
Mar. 31, 1949		1,101,660,000.00	1,101,660,000.00		
Apr. 7, 1949		1,000,982,000.00	1,000,978,000.00		
Apr. 14, 1949		906,831,000.00	906,812,000.00	4,000.00	
Apr. 21, 1949		904,675,000.00	904,465,000.00	19,000.00	
Apr. 28, 1949		902,624,000.00	902,534,000.00	210,000.00	

May 5, 1949.....	801, 107, 000.00	801, 101, 000.00	6, 000.00	
May 12, 1949.....	903, 191, 000.00	903, 175, 000.00	16, 000.00	
May 19, 1949.....	801, 718, 000.00	801, 489, 000.00	259, 000.00	
May 26, 1949.....	901, 180, 000.00	901, 000, 000.00	180, 000.00	
June 2, 1949.....	906, 874, 000.00	906, 711, 000.00	163, 000.00	
June 9, 1949.....	905, 861, 000.00	905, 849, 000.00	12, 000.00	
June 16, 1949.....	902, 626, 000.00	901, 991, 000.00	635, 000.00	
June 23, 1949.....	907, 002, 000.00	906, 437, 000.00	565, 000.00	
June 30, 1949.....	902, 860, 000.00	894, 721, 000.01	8, 139, 000.00	
July 7, 1949.....	901, 630, 000.00			\$901, 630, 000.00
July 14, 1949.....	902, 106, 000.00			902, 106, 000.00
July 21, 1949.....	903, 512, 000.00			903, 512, 000.00
July 28, 1949.....	902, 060, 000.00			902, 060, 000.00
Aug. 4, 1949.....	801, 987, 000.00			801, 987, 000.00
Aug. 11, 1949.....	900, 331, 000.00			900, 331, 000.00
Aug. 18, 1949.....	803, 023, 000.00			803, 023, 000.00
Aug. 25, 1949.....	904, 524, 000.00			904, 524, 000.00
Sept. 1, 1949.....	901, 161, 000.00			901, 161, 000.00
Sept. 8, 1949.....	904, 588, 000.00			904, 588, 000.00
Sept. 15, 1949.....	907, 537, 000.00			907, 537, 000.00
Sept. 22, 1949.....	902, 974, 000.00			902, 974, 000.00
Sept. 29, 1949.....	900, 765, 000.00			900, 765, 000.00
Total Treasury bills.....	13, 757, 257, 000.00	51, 347, 079, 000.00	11, 522, 000.00	11, 536, 196, 000.00
Certificates of indebtedness:				
7½% Series F-1948.....	2, 741, 964, 000.00	2, 741, 913, 000.00	51, 000.00	
7½% Series G-1948.....	1, 126, 072, 000.00	1, 126, 618, 000.00	54, 000.00	
7½% Series H-1948.....	2, 209, 163, 000.00	2, 208, 931, 000.00	232, 000.00	
1½% Series J-1948.....	1, 353, 966, 000.00	1, 353, 840, 000.00	126, 000.00	
1½% Series K-1948.....	1, 407, 076, 000.00	1, 406, 885, 000.00	191, 000.00	
1½% Series A-1949.....	2, 591, 911, 000.00	2, 590, 983, 000.00	928, 000.00	
1½% Series B-1949.....	2, 188, 813, 000.00	2, 187, 760, 000.00	1, 053, 000.00	
1½% Series C-1949.....	3, 553, 156, 000.00	3, 550, 997, 000.00	2, 159, 000.00	
1½% Series D-1949.....	1, 054, 836, 000.00	1, 053, 716, 000.00	1, 120, 000.00	
1½% Series E-1949.....	4, 300, 595, 000.00	4, 292, 308, 000.00	8, 809, 000.00	
1½% Series F-1949.....		522, 000.00		5, 782, 890, 000.00
1½% Series G-1949.....		5, 782, 890, 000.00		6, 535, 161, 000.00
1½% Series H-1949.....		519, 153, 000.00		519, 153, 000.00
1½% Series I-1949.....		5, 694, 596, 000.00		5, 694, 596, 000.00
1½% Series A-1950.....		1, 993, 250, 000.00		1, 993, 250, 000.00
1½% Series B-1950.....		2, 921, 536, 000.00		2, 921, 536, 000.00
1½% Series C-1950.....		962, 544, 000.00		962, 544, 000.00
1½% Series D-1950.....		5, 018, 451, 000.00		5, 018, 451, 000.00
1½% Series E-1950.....				
Total certificates of indebtedness.....	22, 588, 152, 000.00	22, 573, 951, 000.00	14, 723, 000.00	29, 427, 581, 000.00
Treasury notes:				
1½% Series A-1948.....	3, 747, 702, 000.00	3, 746, 382, 000.00	1, 320, 000.00	
1½% Series B-1948.....	4, 092, 050, 000.00	4, 091, 442, 000.00	608, 000.00	
1½% Series A-1949.....	3, 534, 818, 000.00	3, 533, 135, 000.00	1, 683, 000.00	
1½% Series A-1950.....				3, 595, 997, 000.00
Total Treasury notes.....	11, 374, 570, 000.00	11, 370, 959, 000.00	3, 611, 000.00	3, 595, 997, 000.00

Footnotes at end of table.

TABLE 22.—Changes in public debt issues, fiscal year 1949—Continued

Title		Outstanding June 30, 1948	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1949
INTEREST-BEARING DEBT—Continued						
Marketable—Continued						
Treasury bonds:						
2½% of 1948-50 (dated Dec. 8, 1939).....		\$450,978,400.00		\$450,539,600.00	\$438,800.00	
2½% of 1948-50 (dated Dec. 8, 1939).....		371,431,130.00		568,779,750.00	2,651,400.00	
2½% of 1948-51 (dated Jan. 15, 1942).....		1,014,018,900.00		1,002,803,950.00	11,214,950.00	
2½% of 1949-51 (dated May 15, 1942).....		2,292,443,600.00				\$1,292,443,600.00
2½% of 1949-51 (dated July 15, 1942).....		2,091,273,100.00				2,097,615,100.00
2½% of 1949-52.....		1,786,125,950.00				491,373,100.00
2½% of 1950-52 (dated Oct. 19, 1942).....		1,962,658,200.00	15,560.00			1,786,110,450.00
2½% of 1950-52 (dated Oct. 19, 1942).....		1,962,658,200.00				1,962,658,200.00
2½% of 1950-52 (dated Apr. 15, 1943).....		1,185,841,200.00				1,185,841,200.00
1½% of 1950.....		4,939,258,500.00				4,939,258,500.00
2½% of 1951-54.....		2,635,439,000.00	2,000.00			2,635,437,000.00
2½% of 1951-55.....		1,696,686,150.00				1,626,686,150.00
2½% of 1951-55.....		755,439,000.00				755,439,000.00
2½% of 1951-55.....		7,986,260,500.00				7,986,260,500.00
2½% of 1951-55.....		1,118,031,100.00				1,118,031,100.00
2½% of 1952-54.....		510,413,450.00	500.00			510,412,950.00
2½% of 1952-54.....		1,023,568,350.00				1,023,568,350.00
2½% of 1952-54 (dated June 26, 1944).....		1,500,781,300.00				1,500,781,300.00
2½% of 1952-54 (dated Dec. 1, 1944).....		5,825,480,500.00	500.00			5,825,480,500.00
2½% of 1953-55.....		8,661,974,500.00	1,000.00			8,661,972,500.00
2½% of 1954-56.....		734,677,900.00				734,677,900.00
2½% of 1955-60.....		680,692,350.00				680,692,350.00
2½% of 1955-60.....		2,611,091,150.00				2,611,091,150.00
2½% of 1956-58.....		1,448,716,650.00				1,448,716,650.00
2½% of 1956-59.....		981,826,050.00				981,826,050.00
2½% of 1956-59.....		3,822,558,500.00				3,822,558,500.00
2½% of 1958-63.....		918,780,600.00				918,780,600.00
2½% of 1959-62 (dated June 1, 1945).....		5,284,088,000.00	4,000.00			5,284,084,000.00
2½% of 1959-62 (dated Nov. 15, 1945).....		3,469,647,500.00	3,500.00			3,469,644,000.00
2½% of 1960-65.....		1,485,384,500.00				1,485,384,500.00
2½% of 1962-67.....		2,118,148,500.00				2,118,147,500.00
2½% of 1963-68.....		2,830,833,000.00	1,000.00			2,830,832,000.00
2½% of 1964-69 (dated Apr. 15, 1943).....		3,761,362,000.00				3,761,353,000.00
2½% of 1964-69 (dated Sept. 15, 1943).....		3,838,139,500.00	2,000.00			3,838,137,500.00
2½% of 1965-70.....		5,197,206,500.00	12,500.00			5,197,194,000.00
2½% of 1965-71.....		3,480,834,500.00	10,000.00			3,480,844,500.00
2½% of 1967-72 (dated June 1, 1945).....		7,967,245,000.00	3,500.00			7,967,241,500.00
2½% of 1967-72 (dated Oct. 20, 1941).....		2,716,037,650.00	4,000.00			2,716,033,650.00
2½% of 1967-72 (dated Nov. 15, 1945).....		11,688,846,000.00	4,500.00			11,688,841,500.00
Total Treasury bonds.....		112,462,026,000.00	2,022,197,300.00		14,305,150.00	110,425,923,550.00

TABLE 22.—Changes in public debt issues, fiscal year 1949—Continued

Title		Outstanding June 30, 1948	Issues during year	Redemptions during year	Transferred to matured debt	Outstanding June 30, 1949
INTEREST-BEARING DEBT—Continued						
Public issues—Continued						
Nonmarketable—Continued						
United States savings bonds—Continued						
Series G-1941.....		\$1,104,828,200.00	\$100.00	\$31,842,200.00		\$1,072,986,100.00
Series G-1942.....		2,118,529,100.00	1,000.00	72,060,100.00		2,046,470,000.00
Series G-1943.....		2,198,480,100.00	17,000.00	84,261,900.00		2,114,235,200.00
Series G-1944.....		2,531,911,900.00	2,900.00	89,191,100.00		2,442,723,300.00
Series G-1945.....		2,298,271,800.00	80,000.00	82,887,300.00		2,215,464,300.00
Series G-1946.....		2,480,885,100.00	92,000.00	103,226,700.00		2,378,751,000.00
Series G-1947.....		2,179,387,900.00	106,800.00	101,394,600.00		2,078,100,100.00
Series G-1948.....		930,285,000.00	1,611,428,800.00	51,713,300.00		2,438,995,300.00
Series G-1949.....			774,266,250.00	438,500.00		773,747,700.00
Total Series G.....		15,842,579,100.00	2,385,930,000.00	619,036,100.00		17,609,473,000.00
Unclassified sales and redemptions.....		2 23,756,181.73	2 6,870,924.39	2 11,189,467.05		2 19,437,639.07
Total United States savings bonds.....		53,228,951,954.73	8,064,327,668.28	4,990,201,847.39	\$119,831,550.00	56,183,246,225.62
Depository bonds:						
First Series.....		212,353,500.00	71,016,000.00	14,117,000.00		269,252,500.00
Second Series.....		104,000,500.00	8,421,800.00	13,092,500.00		99,329,500.00
Total depository bonds.....		316,354,000.00	79,437,500.00	27,209,500.00		368,582,000.00
Armed forces leave bonds:						
Series 1943:						
July 1, 1943.....		2,026,900.00	87,225.00	1,497,175.00	616,950.00	
Oct. 1, 1943.....		2,831,425.00	118,175.00	1,973,400.00	976,200.00	
Series 1944:						
Jan. 1, 1944.....		2,660,125.00	106,300.00	1,622,750.00	1,143,675.00	
Apr. 1, 1944.....		2,457,325.00	89,550.00	1,361,575.00	1,185,300.00	
July 1, 1944.....		2,964,000.00	101,875.00	1,887,250.00		2,178,625.00
Oct. 1, 1944.....		3,232,475.00	103,625.00	953,750.00		2,382,350.00
Series 1945:						
Jan. 1, 1945.....		5,788,150.00	163,275.00	1,720,525.00		4,230,900.00
Apr. 1, 1945.....		5,385,950.00	136,325.00	1,599,750.00		3,923,025.00
July 1, 1945.....		16,274,000.00	230,000.00	4,920,800.00		11,583,700.00
Oct. 1, 1945.....		67,263,525.00	736,850.00	20,452,475.00		47,547,900.00
Series 1946:						
Jan. 1, 1946.....		237,042,800.00	2,567,450.00	70,368,125.00		169,242,125.00
Apr. 1, 1946.....		115,054,825.00	1,524,650.00	33,721,500.00		82,857,975.00

July 1, 1946.....	40,915,450.00	684,825.00	12,183,300.00	29,446,975.00
Oct. 1, 1946.....	64,659,075.00	807,575.00	19,905,250.00	45,554,400.00
Unclassified issues and redemptions.....	27,696,825.00	2 97,350.00	2 3,918,875.00	23,875,300.00
Total armed forces leave bonds.....	560,889,200.00	7,354,350.00	169,248,750.00	395,072,675.00
Treasury bonds, Investment Series A-1965.....	959,350,000.00		5,320,000.00	954,030,000.00
Total nonmarketable.....	59,413,559,454.73	\$12,145,297,818.28	8,066,968,997.39	62,750,234,000.62
Total public issues.....	219,759,675,694.73	94,306,907,818.28	95,983,178,277.39	217,897,567,990.62
Special issues				
Adjusted service certificate fund, 4% certificates.....	5,800,000.00	5,700,000.00	5,937,000.00	5,563,000.00
Alaska Railroad retirement fund, 4% notes.....	3,070,000.00	761,000.00	384,000.00	3,447,000.00
Canada Post Postal Savings System, 2% notes.....	3,000,000.00			3,000,000.00
Canada Zone retirement fund:				
3% notes.....	12,924,000.00	2,570,000.00	1,833,000.00	13,661,000.00
3% notes.....	203,000.00	84,503.00	30,000.00	237,500.00
Civil service retirement fund:				
3% notes.....	2,787,373,000.00	951,402,000.00	509,100,000.00	3,229,675,000.00
3% notes.....	7,258,000.00	2,413,500.00	942,000.00	8,709,500.00
Farm loan mortgage insurance fund, 2% notes.....	1,000,000.00			1,000,000.00
Federal Deposit Insurance Corporation, 2% notes.....	549,000,000.00	124,000,000.00	7,000,000.00	665,000,000.00
Federal home loan banks:				
11 1/2% notes.....	37,400,000.00	75,900,000.00	54,800,000.00	58,500,000.00
11 1/2% notes.....		50,000,000.00		50,000,000.00
11 1/2% notes.....		8,500,000.00		8,500,000.00
Federal old-age and survivors insurance trust fund, 2 1/8% certificates.....	7,709,000,000.00	10,273,000,000.00	8,979,000,000.00	9,003,000,000.00
Federal Savings and Loan Insurance Corporation, 2% notes.....	71,402,000.00	31,000,000.00	10,300,000.00	95,162,000.00
Foreign service retirement fund:				
3% notes.....	11,902,000.00	3,945,000.00	1,639,000.00	14,228,000.00
3% notes.....	155,000.00	40,000.00	6,000.00	259,000.00
Government life insurance fund, 3 1/2% certificates.....	1,286,500,000.00	1,318,000,000.00	1,286,500,000.00	1,318,000,000.00
Mutual mortgage insurance fund, 3% notes.....	4,000,000.00		4,000,000.00	
National mortgage life insurance fund, 3% notes.....	6,934,655,000.00	2,254,000,000.00	1,901,000,000.00	7,287,685,000.00
National Savings System, 2% notes.....	1,909,000,000.00	100,000,000.00	60,000,000.00	1,949,000,000.00
Postal Savings System, 2% notes.....	1,374,500,000.00	620,500,000.00	275,000,000.00	1,720,000,000.00
Railroad retirement account, 3% notes.....	7,500,000,000.00	7,834,000,000.00	7,994,000,000.00	7,340,000,000.00
Unemployment trust fund, 2 1/8% certificates.....		220,000,000.00	220,000,000.00	
Special short-term, 1/4% certificates.....				
Total special issues.....	30,211,242,000.00	23,875,886,000.00	21,311,471,000.00	32,775,657,000.00
Total interest-bearing debt.....	249,970,917,694.73	118,182,743,818.28	117,294,649,277.39	250,673,224,990.62

Footnotes at end of table.

TABLE 22.—Changes in public debt issues, fiscal year 1949—Continued

Title	Outstanding June 30, 1948	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1949
MATURED DEBT ON WHICH INTEREST HAS CEASED					
Postal savings bonds, etc.:					
6% Oregon war debt.....	\$2,100.00	-----	-----	-----	\$2,100.00
6% Compound interest notes (1864-65) ¹	136,180.00	-----	-----	\$110.00	136,070.00
4% Refunded loan of 1907 (refunding)	343,000.00	-----	-----	-----	343,000.00
4% Refunding certificate of 1879.....	8,150.00	-----	-----	20.00	8,130.00
5% 1-year notes of 1893.....	29,900.00	-----	-----	40.00	29,860.00
6% Consols of 1865.....	53,350.00	-----	-----	1,000.00	54,350.00
6% Consols of 1897.....	83,650.00	-----	-----	-----	83,650.00
4½% Funded loan of 1891 (refunding)	18,700.00	-----	-----	-----	18,700.00
3% Loan of 1904.....	13,000.00	-----	-----	-----	13,000.00
4% Loan of 1908-18.....	100,420.00	-----	-----	840.00	99,580.00
4% Loan of 1925.....	8,550.00	-----	-----	-----	8,550.00
2½% Postal savings bonds.....	85,640.00	-----	-----	25,450.00	111,090.00
2% Consols of 1890.....	18,250.00	-----	\$51,820.00	3,000.00	15,250.00
2% Panama Canal loan of 1916-36.....	100.00	-----	-----	-----	100.00
2% Panama Canal loan of 1918-38.....	20.00	-----	-----	-----	20.00
3% Conversion bonds of 1946.....	100.00	-----	-----	15,000.00	100.00
3% Conversion bonds of 1947.....	20,000.00	-----	-----	-----	20,000.00
All other issues ¹	549,660.26	-----	-----	-----	549,660.26
Total postal savings bonds, etc.....	1,492,780.26	-----	51,820.00	45,490.00	1,499,110.26
Liberty loan bonds:					
First Liberty loan:					
First 2½'s.....	2,377,800.00	-----	-----	497,850.00	1,879,950.00
First 4½'s.....	104,650.00	-----	-----	3,150.00	106,500.00
First 4's.....	791,800.00	-----	-----	82,300.00	709,500.00
First-Second 4½'s.....	3,450.00	-----	-----	100.00	3,350.00
Total.....	3,282,700.00	-----	-----	583,400.00	2,699,300.00
Second Liberty loan:					
Second 4's.....	400,700.00	-----	-----	6,250.00	394,450.00
Second 4½'s.....	471,200.00	-----	-----	11,800.00	459,400.00
Total.....	871,900.00	-----	-----	18,050.00	853,850.00
Third Liberty loan 4½'s.....	1,450,100.00	-----	-----	36,150.00	1,413,950.00
Fourth Liberty loan 4½'s.....	5,066,550.00	-----	-----	469,050.00	4,597,500.00
Total Liberty loan bonds.....	10,671,250.00	-----	-----	1,106,650.00	9,564,600.00

TABLE 22.—*Changes in public debt issues, fiscal year 1919—Continued*

Title	Outstanding June 30, 1918	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1919
MATURED DEBT ON WHICH INTEREST HAS CEASED—					
Continued					
Treasury notes:					
Regular series:					
48 1/2% A-1924	\$16,200.00				\$16,200.00
48 1/2% A-1925	1,000.00				1,000.00
48 1/2% B-1925	27,400.00				27,400.00
41 1/2% C-1925	6,400.00			\$100.00	6,300.00
43 1/2% A-1926	2,800.00			100.00	2,700.00
43 1/2% B-1926	6,800.00				6,800.00
41 1/2% A-1927	8,600.00			400.00	8,200.00
43 1/2% B-1927	11,100.00			100.00	11,000.00
31 1/2% A-1930-32	81,700.00				81,700.00
31 1/2% B-1930-32	62,350.00			800.00	61,550.00
31 1/2% C-1930-32	15,600.00				15,600.00
31 1/2% A-1932	14,200.00				14,200.00
31 1/2% B-1932	2,500.00				2,500.00
31 1/2% C-1932	5,000.00				5,000.00
21 1/2% A-1934	7,000.00				7,000.00
31 1/2% B-1934	989,400.00				989,400.00
15 1/2% B-1935	10,000.00				10,000.00
21 1/2% C-1935	80,000.00				80,000.00
21 1/2% D-1935	52,300.00				52,300.00
33 1/2% A-1936	18,100.00				18,100.00
23 1/2% B-1936	85,700.00				85,700.00
23 1/2% C-1936	200.00			71,000.00	14,700.00
11 1/2% D-1936	1,300.00				1,300.00
11 1/2% E-1936	109,100.00			1,000.00	109,100.00
31 1/2% A-1937	38,500.00				38,500.00
31 1/2% B-1937	20,000.00				20,000.00
31 1/2% C-1937	21,700.00			1,000.00	20,700.00
23 1/2% A-1938	245,000.00			700.00	245,000.00
23 1/2% B-1938	17,000.00				17,000.00
31 1/2% C-1938	77,200.00				77,200.00
21 1/2% D-1938	10,300.00			40,000.00	37,200.00
21 1/2% E-1938	1,300.00			200.00	1,100.00
13 1/2% A-1939	241,550.00				241,550.00
13 1/2% B-1939	72,100.00			40,250.00	31,850.00
13 1/2% C-1939	22,500.00			4,000.00	18,500.00
13 1/2% A-1940	95,500.00			500.00	95,000.00
13 1/2% B-1940	37,000.00			45,000.00	50,500.00
13 1/2% C-1940	22,600.00			37,000.00	3,535,600.00
13 1/2% A-1941	59,500.00			1,100.00	20,900.00
13 1/2% B-1941	22,000.00			1,100.00	20,900.00
13 1/2% C-1941	59,500.00			21,000.00	38,500.00
13 1/2% A-1942	9,500.00			7,500.00	2,000.00
2% B-1942					

134 ⁰⁰ / ₁₀₀ —C-1942.....	123,000.00					5,500.00	123,000.00
116 ⁰⁰ / ₁₀₀ —A-1943.....	35,000.00					5,500.00	29,500.00
116 ⁰⁰ / ₁₀₀ —B-1943.....	109,300.00					5,500.00	103,800.00
16 ⁰⁰ / ₁₀₀ —C-1943.....	517,000.00					22,600.00	494,400.00
34 ⁰⁰ / ₁₀₀ —D-1943.....	2,000.00						2,000.00
34 ⁰⁰ / ₁₀₀ —A-1944.....	366,500.00					1,500.00	365,000.00
16 ⁰⁰ / ₁₀₀ —B-1944.....	797,100.00					1,000.00	796,100.00
16 ⁰⁰ / ₁₀₀ —C-1944.....	98,000.00					10,000.00	88,000.00
34 ⁰⁰ / ₁₀₀ —D-1944.....	83,600.00					53,700.00	29,900.00
34 ⁰⁰ / ₁₀₀ —A-1945.....	2,347,600.00					18,000.00	2,329,600.00
34 ⁰⁰ / ₁₀₀ —B-1945.....	443,900.00					57,100.00	386,800.00
14 ⁰⁰ / ₁₀₀ —C-1945.....	18,600.00						18,600.00
16 ⁰⁰ / ₁₀₀ —A-1946.....	116,900.00					26,300.00	90,600.00
12 ⁰⁰ / ₁₀₀ —B-1946.....	297,900.00					177,500.00	120,400.00
0.90 ⁰⁰ / ₁₀₀ —C-1946.....	12,000.00						12,000.00
0.90 ⁰⁰ / ₁₀₀ —D-1946.....	369,000.00					261,000.00	108,000.00
12 ⁰⁰ / ₁₀₀ —A-1947.....	601,500.00					318,000.00	283,500.00
14 ⁰⁰ / ₁₀₀ —B-1947.....	5,532,000.00					2,991,000.00	2,541,000.00
14 ⁰⁰ / ₁₀₀ —C-1947.....	5,231,000.00					2,884,000.00	2,347,000.00
12 ⁰⁰ / ₁₀₀ —A-1948.....					\$1,320,000.00		1,320,000.00
16 ⁰⁰ / ₁₀₀ —B-1948.....					608,000.00		608,000.00
14 ⁰⁰ / ₁₀₀ —A-1949.....					1,683,000.00		1,683,000.00
Tax series:							
A-1943.....	98,625.00					27,200.00	71,425.00
B-1943.....	170,200.00					43,000.00	127,200.00
A-1944.....	198,225.00					61,450.00	136,775.00
B-1944.....	128,500.00					40,700.00	87,800.00
A-1945.....	2,745,300.00					843,375.00	1,901,925.00
Savings series:							
C-1945.....	2,021,900.00					925,900.00	1,096,000.00
C-1946.....	7,835,900.00					3,381,400.00	4,454,500.00
C-1947.....	21,729,900.00					11,600,000.00	10,129,900.00
C-1948.....	45,394,100.00				6,941,100.00	38,974,800.00	13,390,400.00
C-1949.....					10,929,500.00		10,929,500.00
Total Treasury notes.....							
	105,574,850.00				21,481,600.00	63,002,275.00	62,054,175.00
Certificates of indebtedness:							
Tax issues, series:							
41 ⁰⁰ / ₁₀₀ —T-10.....							1,000.00
43 ⁰⁰ / ₁₀₀ —T-M-1921.....	1,000.00						500.00
66 ⁰⁰ / ₁₀₀ —T-J-1921.....	1,500.00						1,500.00
66 ⁰⁰ / ₁₀₀ —T-S-1921.....	1,500.00						1,500.00
66 ⁰⁰ / ₁₀₀ —T-D-1921.....	2,000.00						2,000.00
51 ⁰⁰ / ₁₀₀ —T-S-2-1921.....	1,000.00						1,000.00
53 ⁰⁰ / ₁₀₀ —T-M-1922.....	1,000.00						1,000.00
41 ⁰⁰ / ₁₀₀ —T-S-2-1922.....	500.00						500.00
41 ⁰⁰ / ₁₀₀ —T-D-1922.....	1,000.00						1,000.00
41 ⁰⁰ / ₁₀₀ —T-M-1923.....	1,000.00						1,000.00
33 ⁰⁰ / ₁₀₀ —T-S-1923.....	500.00						500.00
41 ⁰⁰ / ₁₀₀ —T-M-1924.....	1,000.00						1,000.00

Footnotes at end of table.

TABLE 22.—Changes in public debt issues, fiscal year 1949—Continued

Title	Outstanding June 30, 1948	Issues during year	Transferred from interest-bearing debt	Redemptions during year	Outstanding June 30, 1949
MATURED DEBT ON WHICH INTEREST HAS CEASED—					
Certificates of indebtedness—Continued					
Tax issues, series—Continued					
4½%—T-M-1925	\$1,000.00				\$1,000.00
4½%—T-J-1929	1,100.00				1,100.00
4½%—T-S-1929	1,500.00				1,500.00
4½%—T-D-1929	3,000.00				3,000.00
4½%—T-D-2-1929	2,500.00			\$1,000.00	1,500.00
5½%—T-M-1930	13,500.00				13,500.00
4½%—T-J-1930	4,500.00				4,500.00
3½%—T-D-1930	4,000.00			4,000.00	
1½%—T-S-1932	3,500.00				3,500.00
3½%—T-S-2-1932	101,000.00				101,000.00
3½%—T-M-1933	22,500.00				22,500.00
2½%—First—maturing Mar. 15, 1933.	7,650.00				7,650.00
1½%—T-J-1933	2,500.00				2,500.00
4%—T-A-G-1933	11,000.00				11,000.00
1½%—T-S-1933	12,000.00				12,000.00
3½%—T-D-1933	60,000.00				60,000.00
4½%—T-D-2-1933	34,000.00				34,000.00
3½%—T-M-1934	1,000.00				1,000.00
2½%—T-D-1934	4,500.00				4,500.00
Loan issues, series:					
4½%—IV A-1918	500.00				500.00
5½%—G-1920	1,000.00				1,000.00
5½%—H-1921	500.00				500.00
5½%—A-1922	1,000.00				1,000.00
3½%—A-1933	1,500.00				1,500.00
7½%—B-1943	10,000.00			10,000.00	
7½%—E-1943	17,000.00			5,000.00	12,000.00
7½%—A-1944	5,000.00				5,000.00
7½%—B-1944	369,000.00			69,000.00	300,000.00
7½%—C-1944	10,000.00			10,000.00	
7½%—D-1944	1,000.00				1,000.00
7½%—E-1944	982,000.00			169,000.00	813,000.00
7½%—G-1944	1,000.00				1,000.00
7½%—A-1945	944,000.00			219,000.00	725,000.00
7½%—B-1945	38,000.00			11,000.00	27,000.00
7½%—C-1945	943,000.00			424,000.00	519,000.00
7½%—E-1945	27,000.00				27,000.00
7½%—F-1945	50,000.00			35,000.00	15,000.00
7½%—H-1945	1,769,000.00			785,000.00	984,000.00
7½%—A-1946	1,177,000.00			96,000.00	81,000.00

7-66 B-1946	22,000.00			10,000.00	12,000.00
7-66 C-1946	19,000.00			16,000.00	3,000.00
7-66 E-1946	17,014,000.00			2,500,000.00	14,424,000.00
7-66 F-1946	26,000.00			26,000.00	
7-66 G-1946	47,000.00			7,000.00	
7-66 H-1946	67,000.00			210,000.00	
7-66 J-1946	221,000.00			1,324,000.00	1,091,000.00
7-66 K-1946	3,320,000.00			43,000.00	11,000.00
7-66 A-1947	56,000.00			36,000.00	165,000.00
7-66 B-1947	201,000.00			36,000.00	82,000.00
7-66 C-1947	118,000.00			149,000.00	140,000.00
7-66 D-1947	289,000.00			407,000.00	283,000.00
7-66 E-1947	690,000.00			80,000.00	143,000.00
7-66 F-1947	220,000.00			186,000.00	42,000.00
7-66 G-1947	189,000.00			252,000.00	189,000.00
7-66 H-1947	309,000.00			124,000.00	91,000.00
7-66 J-1947	318,000.00			1,400,000.00	732,000.00
7-66 K-1947	161,000.00			1,965,000.00	365,000.00
7-66 L-1947	2,697,000.00			1,425,000.00	870,000.00
7-66 A-1948	433,000.00			2,058,000.00	311,000.00
7-66 B-1948	2,295,000.00			1,563,000.00	137,000.00
7-66 C-1948	2,168,000.00			3,501,000.00	223,000.00
7-66 D-1948	1,700,000.00				14,723,000.00
7-66 E-1948	3,826,000.00				38,380,750.00
Various (for details, see p. 435)					
Total certificates of indebtedness	42,059,750.00			18,402,000.00	
Treasury bills, series matured:					
May 18, 1932	21,000.00			16,000.00	21,000.00
May 17, 1933	16,000.00			10,000.00	
Dec. 31, 1935	10,000.00				15,000.00
May 12, 1937	15,000.00				100,000.00
May 31, 1939	100,000.00			1,000.00	
July 12, 1939	1,000.00				10,000.00
Mar. 27, 1940	10,000.00				30,000.00
June 5, 1940	30,000.00				1,000.00
Mar. 26, 1941	1,000.00				20,000.00
June 18, 1941	20,000.00				4,000.00
Jan. 14, 1942	4,000.00				12,000.00
Apr. 22, 1942	12,000.00				4,000.00
June 3, 1942	4,000.00				38,000.00
June 10, 1942	38,000.00				1,000.00
Feb. 3, 1943	1,000.00				6,000.00
June 2, 1943	6,000.00				30,000.00
June 9, 1943	30,000.00				3,000.00
June 1, 1944	3,000.00				95,000.00
June 8, 1944	95,000.00				5,000.00
Aug. 10, 1944	5,000.00				88,000.00
Aug. 31, 1944	88,000.00				16,000.00
June 7, 1945	16,000.00				
June 14, 1945					

Treasury (war) savings securities:
Treasury savings certificates:
Issued Dec. 8, 1921.....
Issued Sept. 30, 1922.....
Issued Dec. 1, 1923.....
Total Treasury savings certificates.....
Total matured debt on which interest has ceased.....
DEBT BEARING NO INTEREST
United States savings stamps (including unclassified sales)
Excess profits tax refund bonds:
First series.....
Second series.....
Total excess profits tax refund bonds.....
Special notes of the United States: International Bank for Reconstruction and Development:
Series dated Nov. 21, 1946.....
Series dated Feb. 24, 1947.....
Series dated May 23, 1947.....
Total.....
International Monetary Fund:
Series dated Feb. 26, 1947.....
Total special notes of the United States.....
United States notes (less gold reserve)
Old demand notes.....
National and Federal Reserve Bank notes.....
Fractional currency.....
Thrift and Treasury savings stamps.....
Total debt bearing no interest.....
Total gross public debt.....

³ Interest compounded.

amounts issued and redeemed for Series G bonds include issue price plus accrued discount; amounts outstanding are stated at current redemption value. Amounts issued, retired, and outstanding for Series G bonds are stated at par value.

¹ Amounts issued and redeemed for Series C to F bonds include issue price plus accrued amounts discount; amounts outstanding are stated at current redemption value. Amounts issued, retired, and outstanding for Series G bonds are stated at par value.

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TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948		<i>Percent</i>		
July 1	Postal savings bonds, 35th series.....	2½	-----	\$1,063,180.00
1	Certificates of indebtedness, Series F-1948, redeemed in exchange for certificates, Series F-1949.....	¾	-----	2,601,359,000.00
1	Certificates of indebtedness, Series F-1948.....	¾	-----	140,605,000.00
1	Certificates of indebtedness, Series G-1948, redeemed in exchange for certificates, Series F-1949.....	¾	-----	1,078,698,000.00
1	Certificates of indebtedness, Series G-1948.....	¾	-----	47,974,000.00
1	Certificates of indebtedness, Series H-1948, redeemed in exchange for certificates, Series F-1949.....	¾	-----	2,102,833,000.00
1	Certificates of indebtedness, Series H-1948.....	¾	-----	106,330,000.00
1	Certificates of indebtedness, Series I-1948.....	1½	\$5,782,890,000.00	-----
1	Treasury bills:			
1	Issued Apr. 1, 1948:			
	Redeemed in exchange for series dated July 1, 1948.....	.996	-----	650,820,000.00
	Redeemable for cash.....		-----	549,442,000.00
1	Maturing Sept. 30, 1948:			
	Issued in exchange for series dated Apr. 1, 1948.....	.997	650,820,000.00	-----
	Issued for cash.....		451,076,000.00	-----
8	Issued Apr. 8, 1948:			
	Redeemed in exchange for series dated July 8, 1948.....	.997	-----	670,770,000.00
	Redeemable for cash.....		-----	534,697,000.00
8	Maturing Oct. 7, 1948:			
	Issued in exchange for series dated Apr. 8, 1948.....	.997	670,770,000.00	-----
	Issued for cash.....		431,278,000.00	-----
15	Issued Apr. 15, 1948:			
	Redeemed in exchange for series dated July 15, 1948.....	.998	-----	489,717,000.00
	Redeemable for cash.....		-----	516,870,000.00
15	Maturing Oct. 14, 1948:			
	Issued in exchange for series dated Apr. 15, 1948.....	.997	489,717,000.00	-----
	Issued for cash.....		416,342,000.00	-----
22	Issued Apr. 22, 1948:			
	Redeemed in exchange for series dated July 22, 1948.....	.997	-----	341,602,000.00
	Redeemable for cash.....		-----	659,974,000.00
22	Maturing Oct. 21, 1948:			
	Issued in exchange for series dated Apr. 22, 1948.....	.997	341,602,000.00	-----
	Issued for cash.....		567,198,000.00	-----
29	Issued Apr. 29, 1948:			
	Redeemed in exchange for series dated July 29, 1948.....	.997	-----	347,944,000.00
	Redeemable for cash.....		-----	657,705,000.00
29	Maturing Oct. 28, 1948:			
	Issued in exchange for series dated Apr. 29, 1948.....	.997	347,944,000.00	-----
	Issued for cash.....		561,745,000.00	-----
31	United States savings bonds:			
31	Series C-1938.....	2.90	765,992.00	⁵ 31,502,345.00
31	Series D-1939.....	2.90	4,726,456.00	2,380,031.00
31	Series D-1940.....	2.90	7,440,493.75	2,852,701.50
31	Series D-1941.....	2.90	3,832,273.25	1,137,666.00
31	Series E-1941.....	2.90	3,102,700.25	5,082,144.00
31	Series E-1942.....	2.90	17,269,750.76	26,555,713.64
31	Series E-1943.....	2.90	10,806,822.32	47,059,027.08
31	Series E-1944.....	2.90	20,013,376.76	59,737,047.92
31	Series E-1945.....	2.90	10,233,542.34	50,684,124.63
31	Series E-1946.....	2.90	3,734,486.64	30,262,596.90
31	Series E-1947.....	2.90	4,686,549.55	41,215,661.04
31	Series E-1948.....	2.90	355,740,702.50	43,891,830.00
31	Series F-1941.....	2.53	378,159.27	1,002,158.29
31	Series F-1942.....	2.53	2,242,945.13	3,835,744.36
31	Series F-1943.....	2.53	1,340,831.31	4,015,161.12
31	Series F-1944.....	2.53	2,779,346.18	4,720,717.77
31	Series F-1945.....	2.53	535,233.81	3,548,671.84
31	Series F-1946.....	2.53	425,745.69	2,208,049.76

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949* ¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948	United States savings bonds—Continued	<i>Percent</i>		
July 31	Series F-1947.....	2.53	\$323,815.90	\$2,078,986.27
31	Series F-1948.....	2.53	174,898,389.50	209,327.50
31	Series G-1941.....	2.50	-----	2,842,600.00
31	Series G-1942.....	2.50	-----	7,621,100.00
31	Series G-1943.....	2.50	1,000.00	8,078,300.00
31	Series G-1944.....	2.50	2,500.00	9,384,100.00
31	Series G-1945.....	2.50	-----	7,580,900.00
31	Series G-1946.....	2.50	3,700.00	9,403,800.00
31	Series G-1947.....	2.50	64,200.00	10,623,600.00
31	Series G-1948.....	2.50	775,278,600.00	1,093,800.00
31	Unclassified sales and redemptions.....	-----	366,546,369.06	10,541,555.01
31	Depository bonds, First Series.....	2	10,356,500.00	330,000.00
31	Depository bonds, Second Series.....	2	5,750,000.00	2,165,500.00
	Armed forces leave bonds:			
	Series 1943:			
31	July 1, 1943.....	2½	13,825.00	2,054,000.00
31	Oct. 1, 1943.....	2½	14,300.00	111,000.00
	Series 1944:			
31	Jan. 1, 1944.....	2½	17,650.00	103,225.00
31	Apr. 1, 1944.....	2½	11,300.00	89,275.00
31	July 1, 1944.....	2½	13,225.00	105,175.00
31	Oct. 1, 1944.....	2½	16,900.00	114,950.00
	Series 1945:			
31	Jan. 1, 1945.....	2½	20,525.00	206,425.00
31	Apr. 1, 1945.....	2½	21,200.00	219,400.00
31	July 1, 1945.....	2½	32,600.00	633,475.00
31	Oct. 1, 1945.....	2½	100,725.00	2,544,525.00
	Series 1946:			
31	Jan. 1, 1946.....	2½	366,800.00	8,647,750.00
31	Apr. 1, 1946.....	2½	235,225.00	4,295,200.00
31	July 1, 1946.....	2½	115,075.00	1,563,550.00
31	Oct. 1, 1946.....	2½	132,625.00	2,508,075.00
31	Unclassified issues and redemptions.....	2½	693,325.00	754,000.00
	Treasury savings notes:			
31	Series C-1948.....	1.07	-----	\$ 59,610,400.00
31	Series C-1949.....	1.07	-----	16,624,800.00
31	Series C-1950.....	1.07	-----	58,130,900.00
31	Series C-1951.....	1.07	140,082,600.00	13,845,900.00
31	Miscellaneous.....	-----	-----	201,000.00
	Total, July.....	-----	12,635,663,731.97	12,107,420,165.63
Aug. 5	Treasury bills:			
	Issued May 6, 1948:			
	Redeemed in exchange for series dated Aug. 5, 1948.....	.998	-----	314,088,000.00
5	Redeemable for cash.....	-----	-----	591,362,000.00
	Maturing Nov. 4, 1948:			
	Issued in exchange for series dated May 6, 1948.....	.997	314,088,000.00	-----
	Issued for cash.....	-----	489,604,000.00	-----
12	Issued May 13, 1948:			
	Redeemed in exchange for series dated Aug. 12, 1948.....	.998	-----	364,325,000.00
	Redeemable for cash.....	-----	-----	641,300,000.00
12	Maturing Nov. 12, 1948:			
	Issued in exchange for series dated May 13, 1948.....	.997	364,325,000.00	-----
	Issued for cash.....	-----	525,873,000.00	-----
19	Issued May 20, 1948:			
	Redeemed in exchange for series dated Aug. 19, 1948.....	.997	-----	542,731,000.00
	Redeemable for cash.....	-----	-----	461,260,000.00
19	Maturing Nov. 18, 1948:			
	Issued in exchange for series dated May 20, 1948.....	1.066	542,731,000.00	-----
	Issued for cash.....	-----	358,064,000.00	-----
26	Issued May 27, 1948:			
	Redeemed in exchange for series dated Aug. 26, 1948.....	.997	-----	640,813,000.00
	Redeemable for cash.....	-----	-----	466,997,000.00
26	Maturing Nov. 26, 1948:			
	Issued in exchange for series dated May 27, 1948.....	1.072	640,813,000.00	-----
	Issued for cash.....	-----	359,563,000.00	-----

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948	United States savings bonds:	Percent		
Aug. 31	Series C-1938	2.90	\$659,289.50	⁵ \$34,443,703.50
31	Series D-1939	2.90	2,402,577.00	2,851,551.75
31	Series D-1940	2.90	2,929,212.25	2,852,927.50
31	Series D-1941	2.90	3,556,694.25	1,316,615.00
31	Series E-1941	2.90	2,203,718.75	5,444,265.00
31	Series E-1942	2.90	9,659,082.39	29,139,726.00
31	Series E-1943	2.90	8,544,170.24	51,299,302.35
31	Series E-1944	2.90	15,151,839.96	65,510,208.97
31	Series E-1945	2.90	7,500,715.51	54,883,222.89
31	Series E-1946	2.90	2,928,662.83	32,495,820.17
31	Series E-1947	2.90	3,344,976.74	46,079,853.79
31	Series E-1948	2.90	352,813,878.75	56,050,350.00
31	Series F-1941	2.53	253,966.75	874,247.30
31	Series F-1942	2.53	1,113,760.46	3,416,119.15
31	Series F-1943	2.53	757,918.81	4,067,884.73
31	Series F-1944	2.53	1,263,463.02	4,697,261.48
31	Series F-1945	2.53	303,521.95	3,384,512.03
31	Series F-1946	2.53	280,013.81	2,116,681.20
31	Series F-1947	2.53	185,810.50	2,380,337.12
31	Series F-1948	2.53	88,689,277.50	518,499.50
31	Series G-1941	2.50	100.00	2,653,000.00
31	Series G-1942	2.50	1,000.00	7,245,900.00
31	Series G-1943	2.50		7,465,000.00
31	Series G-1944	2.50		8,371,300.00
31	Series G-1945	2.50		7,575,100.00
31	Series G-1946	2.50	5,000.00	10,173,000.00
31	Series G-1947	2.50	5,700.00	9,567,300.00
31	Series G-1948	2.50	381,957,800.00	2,022,900.00
31	Unclassified sales and redemptions		⁶ 350,085,095.47	⁵ 20,138,568.80
31	Depository bonds, First Series	2	3,510,000.00	1,050,000.00
31	Depository bonds, Second Series	2	379,000.00	2,078,000.00
	Armed forces leave bonds:			
31	Series 1943:			
	Oct. 1, 1943	2½	21,850.00	120,950.00
31	Series 1944:			
	Jan. 1, 1944	2½	19,875.00	104,600.00
31	Apr. 1, 1944	2½	13,325.00	100,975.00
31	July 1, 1944	2½	14,900.00	133,525.00
31	Oct. 1, 1944	2½	16,150.00	134,675.00
31	Series 1945:			
	Jan. 1, 1945	2½	30,275.00	230,625.00
31	Apr. 1, 1945	2½	22,825.00	238,125.00
31	July 1, 1945	2½	46,575.00	740,725.00
31	Oct. 1, 1945	2½	135,750.00	2,860,175.00
31	Series 1946:			
	Jan. 1, 1946	2½	512,700.00	9,746,775.00
31	Apr. 1, 1946	2½	301,825.00	4,758,625.00
31	July 1, 1946	2½	124,500.00	1,734,600.00
31	Oct. 1, 1946	2½	161,375.00	2,477,225.00
31	Unclassified issues and redemptions	2½	52,875.00	⁶ 3,858,175.00
	Treasury savings notes:			
31	Series C-1948	1.07		⁵ 46,782,900.00
31	Series C-1949	1.07		12,295,300.00
31	Series C-1950	1.07		27,045,900.00
31	Series C-1951	1.07	52,881,200.00	12,008,200.00
31	Miscellaneous			1,106,500.00
	Total, August		4,189,733,055.50	4,583,524,245.64
Sept. 2	Treasury bills:			
	Issued June 3, 1948:			
	Redeemed in exchange for series dated Sept. 2, 1948	.997		659,338,000.00
2	Redeemable for cash			441,369,000.00
	Maturing Dec. 2, 1948:			
	Issued in exchange for series dated June 3, 1948	1.075	659,338,000.00	
	Issued for cash		341,412,000.00	
9	Issued June 10, 1948:			
	Redeemed in exchange for series dated Sept. 9, 1948	.998		489,534,000.00
	Redeemable for cash			614,973,000.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948 Sept. 9	Treasury bills—Continued	Percent		
	Maturing Dec. 9, 1948:			
	Issued in exchange for series dated June 10, 1948.....	1.07½	\$489,534,000.00	-----
	Issued for cash.....		511,994,000.00	-----
15	Treasury notes, Series A-1948, redeemed in exchange for Treasury notes, Series A-1950.....	1¼	-----	\$3,595,997,000.00
15	Treasury notes, Series A-1948.....	1¼	-----	151,705,000.00
15	Treasury notes, Series A-1950.....	1¾	3,595,997,000.00	-----
15	Treasury bonds of 1948.....	2½	-----	450,978,400.00
16	Treasury bills:			
	Issued June 17, 1948:			
	Redeemed in exchange for series dated Sept. 16, 1948.....	.998	-----	384,213,000.00
	Redeemable for cash.....		-----	719,418,000.00
16	Maturing Dec. 16, 1948:			
	Issued in exchange for series dated June 17, 1948.....	1.083	384,213,000.00	-----
	Issued for cash.....		719,403,000.00	-----
23	Issued June 24, 1948:			
	Redeemed in exchange for series dated Sept. 23, 1948.....	.998	-----	599,151,000.00
	Redeemable for cash.....		-----	406,844,000.00
23	Maturing Dec. 23, 1948:			
	Issued in exchange for series dated June 24, 1948.....	1.092	599,151,000.00	-----
	Issued for cash.....		401,645,000.00	-----
30	Issued July 1, 1948:			
	Redeemed in exchange for series dated Sept. 30, 1948.....	.997	-----	511,505,000.00
	Redeemable for cash.....		-----	590,391,000.00
30	Maturing Dec. 30, 1948:			
	Issued in exchange for series dated July 1, 1948.....	1.109	511,505,000.00	-----
	Issued for cash.....		590,900,000.00	-----
	United States savings bonds:			
30	Series C-1938.....	2.90	587,792.00	\$ 25,849,837.50
30	Series D-1939.....	2.90	2,012,188.00	2,395,348.50
30	Series D-1940.....	2.90	3,656,219.75	2,455,851.50
30	Series D-1941.....	2.90	1,076,048.75	1,135,508.50
30	Series E-1941.....	2.90	2,113,270.25	4,708,818.25
30	Series E-1942.....	2.90	9,903,148.50	24,877,147.77
30	Series E-1943.....	2.90	19,916,376.98	43,864,223.82
30	Series E-1944.....	2.90	7,454,715.95	55,151,801.95
30	Series E-1945.....	2.90	6,853,543.93	46,233,048.38
30	Series E-1946.....	2.90	2,812,086.00	27,225,609.99
30	Series E-1947.....	2.90	3,348,569.17	37,085,393.74
30	Series E-1948.....	2.90	297,669,336.25	54,086,490.00
30	Series F-1941.....	2.53	256,569.30	784,384.64
30	Series F-1942.....	2.53	1,298,802.55	2,952,478.39
30	Series F-1943.....	2.53	2,449,557.48	3,958,343.24
30	Series F-1944.....	2.53	388,073.95	3,998,150.31
30	Series F-1945.....	2.53	258,254.51	2,511,302.10
30	Series F-1946.....	2.53	266,776.52	1,857,100.92
30	Series F-1947.....	2.53	180,914.17	2,280,311.73
30	Series F-1948.....	2.53	13,676,624.50	909,774.50
30	Series G-1941.....	2.50	-----	2,082,200.00
30	Series G-1942.....	2.50	-----	5,903,400.00
30	Series G-1943.....	2.50	-----	7,663,700.00
30	Series G-1944.....	2.50	-----	7,470,400.00
30	Series G-1945.....	2.50	-----	6,801,000.00
30	Series G-1946.....	2.50	-----	9,260,700.00
30	Series G-1947.....	2.50	500.00	8,600,200.00
30	Series G-1948.....	2.50	107,121,600.00	3,256,000.00
30	Unclassified sales and redemptions.....	-----	⁵ 6,784,497.47	9,170,096.32
30	Depository bonds, First Series.....	2	3,280,500.00	1,075,000.00
30	Depository bonds, Second Series.....	2	14,000.00	-----
	Armed forces leave bonds:			
	Series 1943:			
30	Oct. 1, 1943.....	2½	33,750.00	87,650.00
	Series 1944:			
30	Jan. 1, 1944.....	2½	18,550.00	79,575.00
30	Apr. 1, 1944.....	2½	23,725.00	76,225.00
30	July 1, 1944.....	2½	25,650.00	95,075.00
30	Oct. 1, 1944.....	2½	28,150.00	90,500.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
Armed forces leave bonds—Continued				
1948	Series 1945:	<i>Percent</i>		
Sept. 30	Jan. 1, 1945.....	2½	\$42,950.00	\$183,975.00
30	Apr. 1, 1945.....	2½	33,875.00	167,875.00
30	July 1, 1945.....	2½	53,450.00	527,725.00
30	Oct. 1, 1945.....	2½	217,325.00	2,025,450.00
	Series 1946:			
30	Jan. 1, 1946.....	2½	777,425.00	7,811,375.00
30	Apr. 1, 1946.....	2½	447,075.00	3,625,775.00
30	July 1, 1946.....	2½	208,425.00	1,329,575.00
30	Oct. 1, 1946.....	2½	175,600.00	1,938,500.00
30	Unclassified issues and redemptions.....		378,825.00	⁶ 30,600.00
	Treasury savings notes:			
30	Series C-1948.....	1.07		⁵ 87,170,700.00
30	Series C-1949.....	1.07		23,033,300.00
30	Series C-1950.....	1.07		391,755,800.00
30	Series C-1951.....	1.07	5,540,100.00	151,109,900.00
30	Series D-1951.....	1.40	711,054,000.00	50,000.00
30	Miscellaneous.....			162,500.00
	Total, September.....		10,001,161,846.04	10,691,811,197.05
Oct. 1	Certificates of indebtedness, Series J-1948, redeemed in exchange for certificates, Series G-1949.....	1		1,256,596,000.00
1	Certificates of indebtedness, Series J-1948.....	1		97,370,000.00
1	Certificates of indebtedness, Series K-1948, redeemed in exchange for certificates, Series G-1949.....	1		1,366,498,000.00
1	Certificates of indebtedness, Series K-1948.....	1		100,578,000.00
1	Treasury notes, Series B-1948, redeemed in exchange for certificates, Series G-1949.....	1		3,912,067,000.00
1	Treasury notes, Series B-1948.....	1		179,983,000.00
1	Certificates of indebtedness, Series G-1949.....	1¼	6,535,161,000.00	
	Treasury bills:			
7	Issued July 8, 1948:			
	Redeemed in exchange for series dated Oct. 7, 1948.....	.997		465,661,000.00
	Redeemable for cash.....			636,387,000.00
7	Maturing Jan. 6, 1949:			
	Issued in exchange for series dated July 8, 1948.....	1.114	465,661,000.00	
	Issued for cash.....		635,658,000.00	
14	Issued July 15, 1948:			
	Redeemed in exchange for series dated Oct. 14, 1948.....	.997		403,806,000.00
	Redeemable for cash.....			502,253,000.00
14 [*]	Maturing Jan. 13, 1949:			
	Issued in exchange for series dated July 15, 1948.....	1.119	403,806,000.00	
	Issued for cash.....		498,330,000.00	
21	Issued July 22, 1948:			
	Redeemed in exchange for series dated Oct. 21, 1948.....	.997		43,443,000.00
	Redeemable for cash.....			865,357,000.00
21	Maturing Jan. 20, 1949:			
	Issued in exchange for series dated July 22, 1948.....	1.118	43,443,000.00	
	Issued for cash.....		857,791,000.00	
28	Issued July 29, 1948:			
	Redeemed in exchange for series dated Oct. 28, 1948.....	.997		21,415,000.00
	Redeemable for cash.....			888,274,000.00
28	Maturing Jan. 27, 1949:			
	Issued in exchange for series dated July 29, 1948.....	1.120	21,415,000.00	
	Issued for cash.....		879,784,000.00	
	United States savings bonds:			
31	Series C-1938.....	2.90	730,262.00	⁵ 29,830,894.50
31	Series D-1939.....	2.90	1,964,838.50	2,570,215.00
31	Series D-1940.....	2.90	2,402,130.00	2,658,093.50
31	Series D-1941.....	2.90	1,299,381.75	1,175,565.00
31	Series E-1941.....	2.90	2,366,382.75	4,628,089.25
31	Series E-1942.....	2.90	10,321,915.63	24,595,025.25

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948	United States savings bonds—Continued	<i>Percent</i>		
Oct. 31	Series E-1943.....	2.90	\$15,415,717.24	\$43,635,427.32
31	Series E-1944.....	2.90	6,656,839.32	53,790,505.16
31	Series E-1945.....	2.90	8,018,989.59	44,627,338.28
31	Series E-1946.....	2.90	2,824,478.75	26,263,549.27
31	Series E-1947.....	2.90	3,257,794.66	35,176,270.82
31	Series E-1948.....	2.90	316,026,400.00	60,066,607.50
31	Series F-1941.....	2.53	299,682.82	641,568.78
31	Series F-1942.....	2.53	1,088,972.52	2,309,278.66
31	Series F-1943.....	2.53	2,286,258.17	3,673,306.04
31	Series F-1944.....	2.53	295,364.77	3,623,755.75
31	Series F-1945.....	2.53	332,113.65	2,268,363.28
31	Series F-1946.....	2.53	277,124.40	1,914,852.64
31	Series F-1947.....	2.53	168,290.25	1,851,338.36
31	Series F-1948.....	2.53	13,810,009.50	701,612.50
31	Series G-1941.....	2.50	-----	1,909,700.00
31	Series G-1942.....	2.50	-----	5,238,600.00
31	Series G-1943.....	2.50	-----	7,409,200.00
31	Series G-1944.....	2.50	-----	7,090,300.00
31	Series G-1945.....	2.50	-----	6,896,400.00
31	Series G-1946.....	2.50	5,000.00	9,934,800.00
31	Series G-1947.....	2.50	-----	9,674,300.00
31	Series G-1948.....	2.50	97,488,900.00	3,481,900.00
31	Unclassified sales and redemptions.....	-----	⁶ 12,242,869.29	⁶ 6,441,356.03
31	Depository bonds, First Series.....	2	1,233,000.00	1,485,000.00
31	Depository bonds, Second Series.....	2	25,000.00	34,000.00
	Armed forces leave bonds:			
31	Series 1943:			
	Oct. 1, 1943.....	2½	27,125.00	2,630,350.00
31	Series 1944:			
	Jan. 1, 1944.....	2½	27,075.00	64,175.00
31	Apr. 1, 1944.....	2½	19,975.00	64,025.00
31	July 1, 1944.....	2½	24,675.00	76,325.00
31	Oct. 1, 1944.....	2½	23,050.00	87,800.00
31	Series 1945:			
	Jan. 1, 1945.....	2½	43,425.00	153,100.00
31	Apr. 1, 1945.....	2½	35,150.00	139,100.00
31	July 1, 1945.....	2½	58,725.00	391,000.00
31	Oct. 1, 1945.....	2½	186,975.00	1,637,250.00
31	Series 1946:			
	Jan. 1, 1946.....	2½	609,975.00	5,694,450.00
31	Apr. 1, 1946.....	2½	398,225.00	2,829,575.00
31	July 1, 1946.....	2½	190,475.00	1,085,900.00
31	Oct. 1, 1946.....	2½	147,300.00	1,655,850.00
31	Unclassified issues and redemptions.....	-----	⁶ 316,750.00	1,816,750.00
31	Treasury savings notes:			
31	Series C-1948.....	1.07	-----	⁵ 109,364,000.00
31	Series C-1949.....	1.07	-----	12,632,800.00
31	Series C-1950.....	1.07	-----	102,133,300.00
31	Series C-1951.....	1.07	-----	71,171,100.00
31	Series D-1951.....	1.40	409,335,400.00	700,000.00
31	Miscellaneous.....	-----	-----	1,676,500.00
	Total, October.....	-----	11,228,211,776.98	11,448,405,850.83
Nov. 4	Treasury bills:			
	Issued Aug. 5, 1948:			
	Redeemed in exchange for series dated Nov. 4, 1948.....	.997	-----	84,563,000.00
4	Redeemable for cash.....	-----	-----	719,129,000.00
	Maturing Feb. 3, 1949:			
	Issued in exchange for series dated Aug. 5, 1948.....	1.129	84,563,000.00	-----
	Issued for cash.....	-----	716,884,000.00	-----
12	Issued Aug. 12, 1948:			
	Redeemed in exchange for series dated Nov. 12, 1948.....	.997	-----	366,202,000.00
	Redeemable for cash.....	-----	-----	523,996,000.00
12	Maturing Feb. 10, 1949:			
	Issued in exchange for series dated Aug. 12, 1948.....	1.138	366,202,000.00	-----
	Issued for cash.....	-----	535,231,000.00	-----

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948	Treasury bills—Continued			
Nov. 18	Issued Aug. 19, 1948:			
	Redeemed in exchange for series dated Nov. 18, 1948.....	Percent 1.066		\$309,105,000.00
18	Redeemable for cash.....			591,690,000.00
	Maturing Feb. 17, 1949:			
	Issued in exchange for series dated Aug. 19, 1948.....	1.140	\$309,105,000.00	
	Issued for cash.....		493,870,000.00	
26	Issued Aug. 26, 1948:			
	Redeemed in exchange for series dated Nov. 26, 1948.....	1.072		426,884,000.00
	Redeemable for cash.....			573,492,000.00
26	Maturing Feb. 24, 1949:			
	Issued in exchange for series dated Aug. 26, 1948.....	1.147	426,884,000.00	
	Issued for cash.....		473,340,000.00	
	United States savings bonds:			
30	Series C-1938.....	2.90	673,537.50	\$ 32,560,427.00
30	Series D-1939.....	2.90	2,330,778.25	2,800,920.50
30	Series D-1940.....	2.90	2,055,324.00	2,565,530.00
30	Series D-1941.....	2.90		1,179,965.00
30	Series E-1941.....	2.90	4,654,194.25	5,117,435.50
30	Series E-1942.....	2.90	11,173,510.25	25,510,403.00
30	Series E-1943.....	2.90	8,389,408.26	45,081,793.83
30	Series E-1944.....	2.90	10,915,442.33	54,371,804.76
30	Series E-1945.....	2.90	18,723,119.27	45,550,881.38
30	Series E-1946.....	2.90	2,770,282.68	26,286,889.72
30	Series E-1947.....	2.90	2,892,968.51	34,405,256.84
30	Series E-1948.....	2.90	306,558,497.50	67,378,624.79
30	Series F-1941.....	2.53	980,572.79	779,802.60
30	Series F-1942.....	2.53	1,113,613.96	2,830,036.26
30	Series F-1943.....	2.53	704,130.58	4,239,159.84
30	Series F-1944.....	2.53	821,925.37	3,359,187.09
30	Series F-1945.....	2.53	918,345.32	2,858,008.76
30	Series F-1946.....	2.53	249,469.42	1,593,943.29
30	Series F-1947.....	2.53	140,093.85	1,748,952.77
30	Series F-1948.....	2.53	15,854,934.00	780,311.50
30	Series G-1941.....	2.50		3,534,800.00
30	Series G-1942.....	2.50		6,120,700.00
30	Series G-1943.....	2.50		7,339,200.00
30	Series G-1944.....	2.50		7,000,500.00
30	Series G-1945.....	2.50		7,720,400.00
30	Series G-1946.....	2.50		8,976,800.00
30	Series G-1947.....	2.50	100.00	8,363,600.00
30	Series G-1948.....	2.50	97,623,600.00	3,531,900.00
30	Unclassified sales and redemptions		\$ 1,405,822.70	\$ 9,347,868.10
30	Depository bonds, First Series	2	304,000.00	1,375,000.00
30	Depository bonds, Second Series	2	160,000.00	178,000.00
	Armed forces leave bonds:			
	Series 1944:			
30	Jan. 1, 1944.....	2½	15,300.00	84,425.00
30	Apr. 1, 1944.....	2½	14,925.00	76,725.00
30	July 1, 1944.....	2½	15,900.00	93,875.00
30	Oct. 1, 1944.....	2½	14,100.00	109,050.00
	Series 1945:			
30	Jan. 1, 1945.....	2½	18,700.00	183,975.00
30	Apr. 1, 1945.....	2½	17,400.00	173,150.00
30	July 1, 1945.....	2½	27,725.00	484,025.00
30	Oct. 1, 1945.....	2½	73,725.00	2,190,400.00
	Series 1946:			
30	Jan. 1, 1946.....	2½	261,975.00	6,947,500.00
30	Apr. 1, 1946.....	2½	126,375.00	3,443,550.00
30	July 1, 1946.....	2½	38,400.00	1,277,100.00
30	Oct. 1, 1946.....	2½	73,050.00	2,310,475.00
30	Unclassified issues and redemptions		\$ 193,125.00	\$ 3,703,250.00
	Treasury savings notes:			
30	Series C-1948.....	1.07		\$ 136,919,300.00
30	Series C-1949.....	1.07		35,634,700.00
30	Series C-1950.....	1.07		74,748,600.00
30	Series C-1951.....	1.07		60,433,800.00
30	Series D-1951.....	1.40	344,415,600.00	1,522,800.00
30	Miscellaneous.....			753,000.00
	Total, November.....		4,239,601,075.40	4,324,536,566.33

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948 Dec. 2	Treasury bills: Issued Sept. 2, 1948:			
	Redeemed in exchange for series dated Dec. 2, 1948	Percent		
	Redeemable for cash	1.075		\$375,297,000.00
2	Maturing Mar. 3, 1949:			625,453,000.00
	Issued in exchange for series dated Sept. 2, 1948	1.150	\$375,297,000.00	
	Issued for cash		525,359,000.00	
9	Issued Sept. 9, 1948:			
	Redeemed in exchange for series dated Dec. 9, 1948	1.076		338,633,000.00
	Redeemable for cash			662,895,000.00
9	Maturing Mar. 10, 1949:			
	Issued in exchange for series dated Sept. 9, 1948	1.152	338,633,000.00	
	Issued for cash		566,615,000.00	
15	Treasury bonds of 1948–50 (dated Dec. 8, 1939), redeemed in exchange for certificates Series II–1949	2		519,153,000.00
15	Treasury bonds of 1948–50 (dated Dec. 8, 1939)	2		52,278,150.00
15	Certificates of indebtedness, Series II–1949	1½	519,153,000.00	
	Treasury bills:			
16	Issued Sept. 16, 1948:			
	Redeemed in exchange for series dated Dec. 16, 1948	1.083		401,154,000.00
	Redeemable for cash			699,662,000.00
16	Maturing Mar. 17, 1949:			
	Issued in exchange for series dated Sept. 16, 1948	1.153	401,154,000.00	
	Issued for cash		702,212,000.00	
23	Issued Sept. 23, 1948:			
	Redeemed in exchange for series dated Dec. 23, 1948	1.092		327,207,000.00
	Redeemable for cash			673,589,000.00
23	Maturing Mar. 24, 1949:			
	Issued in exchange for series dated Sept. 23, 1948	1.155	327,207,000.00	
	Issued for cash		673,831,000.00	
30	Issued Sept. 30, 1948:			
	Redeemed in exchange for series dated Dec. 30, 1948	1.109		501,437,000.00
	Redeemable for cash			600,968,000.00
30	Maturing Mar. 31, 1949:			
	Issued in exchange for series dated Sept. 30, 1948	1.157	501,437,000.00	
	Issued for cash		600,223,000.00	
	United States savings bonds:			
31	Series C–1938	2.90	1,250,269.50	\$ 151,804,333.00
31	Series D–1939	2.90	3,735,872.00	4,218,565.50
31	Series D–1940	2.90	3,079,096.00	2,737,804.50
31	Series D–1941	2.90		1,136,205.00
31	Series E–1941	2.90	11,217,362.75	5,160,617.75
31	Series E–1942	2.90	12,984,110.89	25,772,848.40
31	Series E–1943	2.90	9,193,108.03	44,660,143.40
31	Series E–1944	2.90	24,365,368.25	54,643,769.55
31	Series E–1945	2.90	18,274,425.66	45,840,962.02
31	Series E–1946	2.90	3,539,288.49	25,659,520.06
31	Series E–1947	2.90	3,633,928.98	33,356,718.93
31	Series E–1948	2.90	342,327,787.50	80,199,846.46
31	Series F–1941	2.53	953,832.02	735,050.14
31	Series F–1942	2.53	1,432,197.55	2,079,348.63
31	Series F–1943	2.53	640,590.16	3,224,785.96
31	Series F–1944	2.53	2,470,516.89	3,698,757.40
31	Series F–1945	2.53	2,156,869.75	2,353,428.62
31	Series F–1946	2.53	331,528.02	1,833,393.64
31	Series F–1947	2.53	171,712.12	1,763,850.02
31	Series F–1948	2.53	15,643,943.00	626,098.20
31	Series G–1941	2.50		2,503,500.00
31	Series G–1942	2.50		6,180,400.00
31	Series G–1943	2.50		6,691,000.00
31	Series G–1944	2.50		8,109,900.00
31	Series G–1945	2.50	5,000.00	7,123,300.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1948	United States savings bonds—Continued	<i>Percent</i>		
Dec. 31	Series G-1946.....	2.50		\$8, 678, 900.00
31	Series G-1947.....	2.50	\$49, 900.00	8, 167, 400.00
31	Series G-1948.....	2.50	94, 725, 400.00	3, 430, 200.00
31	Unclassified sales and redemptions.....		87, 565, 840.01	⁶ 9, 652, 537.24
31	Depository bonds, First Series.....	2	8, 703, 500.00	
31	Depository bonds, Second Series.....	2	75, 000.00	24, 000.00
	Armed forces leave bonds:			
	Series 1944:			
31	Jan. 1, 1944.....	2½	3, 300.00	68, 625.00
31	Apr. 1, 1944.....	2½	3, 900.00	64, 925.00
31	July 1, 1944.....	2½	4, 350.00	70, 100.00
31	Oct. 1, 1944.....	2½	3, 525.00	79, 800.00
	Series 1945:			
31	Jan. 1, 1945.....	2½	5, 175.00	128, 700.00
31	Apr. 1, 1945.....	2½	4, 525.00	108, 575.00
31	July 1, 1945.....	2½	8, 300.00	398, 250.00
31	Oct. 1, 1945.....	2½	13, 850.00	1, 644, 900.00
	Series 1946:			
31	Jan. 1, 1946.....	2½	35, 500.00	5, 311, 650.00
31	Apr. 1, 1946.....	2½	16, 675.00	2, 634, 675.00
31	July 1, 1946.....	2½	9, 925.00	960, 850.00
31	Oct. 1, 1946.....	2½	40, 125.00	1, 700, 600.00
31	Unclassified issues and redemptions.....		⁶ 26, 200.00	360, 725.00
	Treasury savings notes:			
31	Series C-1948.....	1.07		⁶ 205, 514, 200.00
31	Series C-1949.....	1.07		49, 041, 300.00
31	Series C-1950.....	1.07		128, 695, 400.00
31	Series C-1951.....	1.07		105, 591, 200.00
31	Series D-1951.....	1.40	539, 874, 800.00	31, 020, 400.00
31	Miscellaneous.....			359, 500.00
	Total, December.....		6, 719, 645, 197.57	6, 844, 243, 234.94
1949				
Jan. 1	Postal savings bonds, 36th Series.....	2½		1, 011, 620.00
1	Certificates of indebtedness, Series A-1949, redeemed in exchange for certificates, Series A-1950.....	1½		2, 395, 995, 000.00
1	Certificates of indebtedness, Series A-1949.....	1½		195, 916, 000.00
1	Treasury notes, Series A-1949, redeemed in exchange for certificates, Series A-1950.....	1½		3, 298, 601, 000.00
1	Treasury notes, Series A-1949.....	1½		236, 217, 000.00
1	Certificates of indebtedness, Series A-1950.....	1¼	5, 694, 596, 000.00	
	Treasury bills:			
6	Issued Oct. 7, 1948:			
	Redeemed in exchange for series dated Jan. 6, 1949.....	1.114		61, 714, 000.00
	Redeemable for cash.....			1, 039, 605, 000.00
6	Maturing Apr. 7, 1949:			
	Issued in exchange for series dated Oct. 7, 1948.....	1.155	61, 714, 000.00	
	Issued for cash.....		939, 268, 000.00	
13	Issued Oct. 14, 1948:			
	Redeemed in exchange for series dated Jan. 13, 1949.....	1.119		207, 977, 000.00
	Redeemable for cash.....			694, 159, 000.00
13	Maturing Apr. 14, 1949:			
	Issued in exchange for series dated Oct. 14, 1948.....	1.160	207, 977, 000.00	
	Issued for cash.....		698, 854, 000.00	
20	Issued Oct. 21, 1948:			
	Redeemed in exchange for series dated Jan. 20, 1949.....	1.118		146, 282, 000.00
	Redeemable for cash.....			754, 952, 000.00
20	Maturing Apr. 21, 1949:			
	Issued in exchange for series dated Oct. 21, 1948.....	1.160	146, 282, 000.00	
	Issued for cash.....		758, 393, 000.00	
27	Issued Oct. 28, 1948:			
	Redeemed in exchange for series dated Jan. 27, 1949.....	1.120		169, 994, 000.00
	Redeemable for cash.....			731, 205, 000.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949 Jan. 27	Treasury bills—Continued Maturing Apr. 28, 1949: Issued in exchange for series dated Oct. 28, 1948.....	Percent 1.160	\$169,994,000.00 732,630,000.00	----- -----
	United States savings bonds:			
31	Series D-1939.....	2.90	4,647,630.00	\$82,703,405.50
31	Series D-1940.....	2.90	7,329,588.50	2,772,006.00
31	Series D-1941.....	2.90	3,755,757.50	1,158,708.00
31	Series E-1941.....	2.90	3,015,316.75	4,370,619.50
31	Series E-1942.....	2.90	20,693,776.01	21,214,563.63
31	Series E-1943.....	2.90	10,221,770.39	36,544,850.65
31	Series E-1944.....	2.90	18,886,552.21	45,741,059.23
31	Series E-1945.....	2.90	9,479,947.27	37,878,112.43
31	Series E-1946.....	2.90	5,433,628.29	20,739,277.98
31	Series E-1947.....	2.90	4,180,973.55	27,322,522.25
31	Series E-1948.....	2.90	304,096,617.55	71,563,887.67
31	Series E-1949.....	2.50	154,406,523.75	468.75
31	Series F-1941.....	2.53	368,922.17	891,963.66
31	Series F-1942.....	2.53	2,163,264.55	2,885,965.70
31	Series F-1943.....	2.53	1,403,787.44	3,527,995.39
31	Series F-1944.....	2.53	2,945,071.90	3,173,090.80
31	Series F-1945.....	2.53	637,956.38	2,799,106.55
31	Series F-1946.....	2.53	473,193.90	2,352,759.87
31	Series F-1947.....	2.53	417,149.43	2,146,708.55
31	Series F-1948.....	2.53	15,830,608.95	1,356,874.80
31	Series F-1949.....	2.53	14,841,976.50	-----
31	Series G-1941.....	2.50	-----	3,322,000.00
31	Series G-1942.....	2.50	-----	7,052,000.00
31	Series G-1943.....	2.50	-----	7,233,100.00
31	Series G-1944.....	2.50	-----	8,539,900.00
31	Series G-1945.....	2.50	50,000.00	7,668,800.00
31	Series G-1946.....	2.50	42,500.00	9,705,200.00
31	Series G-1947.....	2.50	-----	8,250,800.00
31	Series G-1948.....	2.50	75,135,100.00	5,344,800.00
31	Series G-1949.....	2.50	96,096,400.00	-----
31	Unclassified sales and redemptions.....		* 10,422,398.92	17,018,591.70
31	Depository bonds, First Series.....	2	568,500.00	535,000.00
31	Depository bonds, Second Series.....	2	859,500.00	439,000.00
	Armed forces leave bonds:			
	Series 1944:			
31	Jan. 1, 1944.....	2½	1,650.00	2,282,800.00
31	Apr. 1, 1944.....	2½	1,525.00	46,050.00
31	July 1, 1944.....	2½	950.00	52,300.00
31	Oct. 1, 1944.....	2½	2,000.00	63,725.00
	Series 1945:			
31	Jan. 1, 1945.....	2½	2,475.00	110,200.00
31	Apr. 1, 1945.....	2½	2,675.00	99,625.00
31	July 1, 1945.....	2½	3,875.00	278,800.00
31	Oct. 1, 1945.....	2½	4,175.00	1,252,950.00
	Series 1946:			
31	Jan. 1, 1946.....	2½	18,100.00	4,334,425.00
31	Apr. 1, 1946.....	2½	8,675.00	2,101,925.00
31	July 1, 1946.....	2½	4,600.00	787,250.00
31	Oct. 1, 1946.....	2½	23,875.00	1,388,725.00
31	Unclassified issues and redemptions.....		* 3,375.00	1,945,550.00
	Treasury saving notes:			
31	Series C-1949.....	1.07	-----	62,912,000.00
31	Series C-1950.....	1.07	-----	19,292,000.00
31	Series C-1951.....	1.07	-----	50,443,400.00
31	Series D-1951.....	1.40	55,044,000.00	44,909,500.00
31	Series D-1952.....	1.40	167,742,700.00	-----
31	Miscellaneous.....		-----	231,000.00
	Total, January.....		10,380,125,514.07	10,572,413,983.61
Feb. 1	Certificates of indebtedness, Series B-1949, redeemed in exchange for certificates, Series B-1950.....	1½	-----	1,993,250,000.00
1	Certificates of indebtedness, Series B-1949.....	1½	-----	195,563,000.00
1	Certificates of indebtedness, Series B-1950.....	1½	1,993,250,000.00	-----

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949 Feb. 3	Treasury bills: Issued Nov. 4, 1948: Redeemed in exchange for series dated Feb. 3, 1949 Redeemable for cash.....	Percent 1.129		\$210,722,000.00 590,725,000.00
3	Maturing May 5, 1949: Issued in exchange for series dated Nov. 4, 1948.....	1.161	\$210,722,000.00 590,385,000.00	
10	Issued Nov. 12, 1948: Redeemed in exchange for series dated Feb. 10, 1949 Redeemable for cash.....	1.138		356,607,000.00 544,826,000.00
10	Maturing May 12, 1949: Issued in exchange for series dated Nov. 12, 1948.....	1.163	356,607,000.00 546,584,000.00	
17	Issued Nov. 18, 1948: Redeemed in exchange for series dated Feb. 17, 1949 Redeemable for cash.....	1.140		349,593,000.00 453,382,000.00
17	Maturing May 19, 1949: Issued in exchange for series dated Nov. 18, 1948.....	1.163	349,593,000.00 452,155,000.00	
24	Issued Nov. 26, 1948: Redeemed in exchange for series dated Feb. 24, 1949 Redeemable for cash.....	1.147		467,466,000.00 432,758,000.00
24	Maturing May 26, 1949: Issued in exchange for series dated Nov. 26, 1948.....	1.163	467,466,000.00 433,714,000.00	
28	United States savings bonds: Series D-1939.....	2.90	2,346,752.50	⁵ 59,889,127.00
28	Series D-1940.....	2.90	2,876,367.00	2,089,448.00
28	Series D-1941.....	2.90	3,487,984.50	924,127.00
28	Series E-1941.....	2.90	2,137,728.25	3,993,962.25
28	Series E-1942.....	2.90	12,626,691.00	20,048,431.18
28	Series E-1943.....	2.90	8,062,860.30	34,151,113.54
28	Series E-1944.....	2.90	14,290,151.66	42,238,420.71
28	Series E-1945.....	2.90	6,950,153.07	34,538,530.55
28	Series E-1946.....	2.90	4,127,356.79	19,027,979.67
28	Series E-1947.....	2.90	3,011,895.76	24,187,284.63
28	Series E-1948.....	2.90	49,376,485.05	66,300,412.62
28	Series E-1949.....	2.90	336,442,328.75	35,370.00
28	Series F-1941.....	2.53	244,546.57	1,016,234.34
28	Series F-1942.....	2.53	1,075,270.75	2,811,728.73
28	Series F-1943.....	2.53	771,641.47	3,195,677.53
28	Series F-1944.....	2.53	1,332,841.10	3,690,977.13
28	Series F-1945.....	2.53	354,408.79	2,179,657.78
28	Series F-1946.....	2.53	321,230.26	1,829,291.28
28	Series F-1947.....	2.53	228,778.55	2,075,944.08
28	Series F-1948.....	2.53	899,860.45	1,255,877.70
28	Series F-1949.....	2.53	33,208,332.50	2,220.00
28	Series G-1941.....	2.50		2,426,700.00
28	Series G-1942.....	2.50		5,479,700.00
28	Series G-1943.....	2.50		5,560,200.00
28	Series G-1944.....	2.50		6,890,200.00
28	Series G-1945.....	2.50		6,550,700.00
28	Series G-1946.....	2.50	16,400.00	8,429,700.00
28	Series G-1947.....	2.50		8,667,700.00
28	Series G-1948.....	2.50	2,601,200.00	5,047,900.00
28	Series G-1949.....	2.50	197,310,300.00	23,300.00
28	Unclassified sales and redemptions.....		⁶ 18,774,994.35	⁶ 20,698,757.49
28	Depository bonds, First Series.....	2	2,126,000.00	1,331,000.00
28	Depository bonds, Second Series.....	2	1,009,000.00	8,065,000.00
28	Armed forces leave bonds: Series 1944: Apr. 1, 1944.....	2½	900.00	36,350.00
28	July 1, 1944.....	2½	1,725.00	48,250.00
28	Oct. 1, 1944.....	2½	975.00	54,325.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949	Armed forces leave bonds—Continued			
Feb. 28	Series 1945:	<i>Percent</i>		
28	Jan. 1, 1945.....	2½	\$1,825.00	\$114,675.00
28	Apr. 1, 1945.....	2½	525.00	83,850.00
28	July 1, 1945.....	2½	1,375.00	256,350.00
28	Oct. 1, 1945.....	2½	5,900.00	1,148,575.00
28	Series 1946:			
28	Jan. 1, 1946.....	2½	13,850.00	4,141,575.00
28	Apr. 1, 1946.....	2½	7,850.00	1,756,150.00
28	July 1, 1946.....	2½	2,875.00	606,400.00
28	Oct. 1, 1946.....	2½	7,150.00	1,128,475.00
28	Unclassified issues and redemptions		3,600.00	449,475.00
	Treasury savings notes:			
28	Series C-1949.....	1.07		\$ 90,350,600.00
28	Series C-1950.....	1.07		20,591,800.00
28	Series C-1951.....	1.07		17,417,800.00
28	Series D-1951.....	1.40	⁷ 2,000.00	12,337,200.00
28	Series D-1952.....	1.40	164,161,400.00	
28	Miscellaneous			121,000.00
	Total, February		6,233,145,520.72	6,108,790,038.23
Mar. 1	Certificates of indebtedness, Series C-1949, redeemed in exchange for certificates, Series C-1950.....	1½		2,921,536,000.00
1	Certificates of indebtedness, Series C-1949.....	1½		631,620,000.00
1	Certificates of indebtedness, Series C-1950.....	1½	2,921,536,000.00	
	Treasury bills:			
3	Issued Dec. 2, 1948:			
	Redeemed in exchange for series dated Mar. 3, 1949.....	1.150		492,419,000.00
	Redeemable for cash.....			408,237,000.00
3	Maturing June 2, 1949:			
	Issued in exchange for series dated Dec. 2, 1948.....	1.163	492,419,000.00	
	Issued for cash.....		414,455,000.00	
10	Issued Dec. 9, 1948:			
	Redeemed in exchange for series dated Mar. 10, 1949.....	1.152		270,237,000.00
	Redeemable for cash.....			635,011,000.00
10	Maturing June 9, 1949:			
	Issued in exchange for series dated Dec. 9, 1948.....	1.162	270,237,000.00	
	Issued for cash.....		635,624,000.00	
17	Issued Dec. 16, 1948:			
	Redeemed in exchange for series dated Mar. 17, 1949.....	1.153		464,131,000.00
	Redeemable for cash.....			639,235,000.00
17	Maturing June 16, 1949:			
	Issued in exchange for series dated Dec. 16, 1948.....	1.162	464,131,000.00	
	Issued for cash.....		438,495,000.00	
24	Issued Dec. 23, 1948:			
	Redeemed in exchange for series dated Mar. 24, 1949.....	1.155		461,957,000.00
	Redeemable for cash.....			539,081,000.00
24	Maturing June 23, 1949:			
	Issued in exchange for series dated Dec. 23, 1948.....	1.162	461,957,000.00	
	Issued for cash.....		445,045,000.00	
31	Issued Dec. 30, 1948:			
	Redeemed in exchange for series dated Mar. 31, 1949.....	1.157		465,202,000.00
	Redeemable for cash.....			636,458,000.00
31	Maturing June 30, 1949:			
	Issued in exchange for series dated Dec. 30, 1948.....	1.162	465,202,000.00	
	Issued for cash.....		437,658,000.00	
	United States savings bonds:			
31	Series D-1939.....	2.90	1,964,538.50	\$ 56,044,966.50
31	Series D-1940.....	2.90	3,571,015.50	2,463,113.50
31	Series D-1941.....	2.90	1,050,929.00	1,179,973.50
31	Series E-1941.....	2.90	2,055,024.50	4,658,213.50

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949	United States savings bonds—Continued	<i>Percent</i>		
Mar. 31	Series E-1942.....	2.90	\$13,618,125.38	\$24,288,885.00
31	Series E-1943.....	2.90	19,084,308.31	41,494,384.81
31	Series E-1944.....	2.90	6,977,440.66	52,120,871.84
31	Series E-1945.....	2.90	6,415,655.28	42,347,157.41
31	Series E-1946.....	2.90	4,095,754.69	23,784,335.89
31	Series E-1947.....	2.90	3,033,217.16	30,541,672.67
31	Series E-1948.....	2.90	12,667,148.37	81,412,325.03
31	Series E-1949.....	2.90	431,026,573.75	9,767,456.25
31	Series F-1941.....	2.53	249,106.30	492,616.28
31	Series F-1942.....	2.53	1,248,186.58	2,313,466.84
31	Series F-1943.....	2.53	2,550,116.88	2,931,191.14
31	Series F-1944.....	2.53	410,772.79	3,043,713.82
31	Series F-1945.....	2.53	310,521.87	3,018,179.38
31	Series F-1946.....	2.53	323,834.14	1,442,645.36
31	Series F-1947.....	2.53	234,825.09	1,917,867.31
31	Series F-1948.....	2.53	73,276.60	1,171,059.80
31	Series F-1949.....	2.53	27,761,396.00	4,810.00
31	Series G-1941.....	2.50		2,319,500.00
31	Series G-1942.....	2.50		5,503,000.00
31	Series G-1943.....	2.50		6,476,300.00
31	Series G-1944.....	2.50		6,740,600.00
31	Series G-1945.....	2.50	25,000.00	5,697,100.00
31	Series G-1946.....	2.50		8,668,800.00
31	Series G-1947.....	2.50		7,758,000.00
31	Series G-1948.....	2.50	63,800.00	5,919,300.00
31	Series G-1949.....	2.50	153,568,700.00	51,300.00
31	Unclassified sales and redemptions		⁵ 33,703,140.89	⁶ 5,442,737.55
31	Depository bonds, First Series.....	2	7,839,500.00	1,972,000.00
31	Depository bonds, Second Series.....	2	58,000.00	16,000.00
	Armed forces leave bonds:			
31	Series 1944:			
31	Apr. 1, 1944.....	2½	600.00	49,900.00
31	July 1, 1944.....	2½	1,175.00	55,100.00
31	Oct. 1, 1944.....	2½	725.00	61,325.00
31	Series 1945:			
31	Jan. 1, 1945.....	2½	1,500.00	119,600.00
31	Apr. 1, 1945.....	2½	2,000.00	97,300.00
31	July 1, 1945.....	2½	2,050.00	333,825.00
31	Oct. 1, 1945.....	2½	6,725.00	1,371,800.00
31	Series 1946:			
31	Jan. 1, 1946.....	2½	14,325.00	5,073,475.00
31	Apr. 1, 1946.....	2½	10,950.00	2,172,975.00
31	July 1, 1946.....	2½	3,475.00	793,425.00
31	Oct. 1, 1946.....	2½	25,675.00	1,317,900.00
31	Unclassified issues and redemptions		⁶ 21,150.00	⁶ 378,750.00
	Treasury savings notes:			
31	Series C-1949.....	1.07		⁵ 133,326,800.00
31	Series C-1950.....	1.07		95,152,700.00
31	Series C-1951.....	1.07	⁷ 2,866,500.00	53,764,600.00
31	Series D-1951.....	1.40	2,866,500.00	130,656,700.00
31	Series D-1952.....	1.40	202,275,400.00	47,393,100.00
31	Miscellaneous.....			31,500.00
	Total, March.....		8,315,656,076.46	9,467,635,373.28
Apr. 1	Certificates of indebtedness, Series D-1949, redeemed in exchange for certificates, Series D-1950.....	1½		962,544,000.00
1	Certificates of indebtedness, Series D-1949.....	1½		92,292,000.00
1	Certificates of indebtedness, Series D-1950.....	1½	962,544,000.00	
	Treasury bills:			
7	Issued Jan. 6, 1949:			
	Redeemed in exchange for series dated Apr. 7, 1949.....	1.155		155,407,000.00
	Redeemable for cash.....			845,575,000.00
7	Maturing July 7, 1949:			
	Issued in exchange for series dated Jan. 6, 1949.....	1.160	155,407,000.00	
	Issued for cash.....		746,223,000.00	
14	Issued Jan. 13, 1949:			
	Redeemed in exchange for series dated Apr. 14, 1949.....	1.160		107,897,000.00
	Redeemable for cash.....			798,934,000.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949 Apr. 14	Treasury bills—Continued			
	Maturing July 14, 1949:			
	Issued in exchange for series dated Jan. 13, 1949.....	Percent		
	Issued for cash.....	1.153	\$107,897,000.00	
21	Issued Jan. 20, 1949:		794,209,000.00	
	Redeemed in exchange for series dated Apr. 21, 1949.....	1.160		
21	Redeemable for cash.....			\$253,846,000.00
	Maturing July 21, 1949:			650,829,000.00
	Issued in exchange for series dated Jan. 20, 1949.....	1.157	253,846,000.00	
28	Issued for cash.....		649,666,000.00	
	Issued Jan. 27, 1949:			
	Redeemed in exchange for series dated Apr. 28, 1949.....	1.160		
28	Redeemable for cash.....			127,702,000.00
	Maturing July 28, 1949:			774,922,000.00
	Issued in exchange for series dated Jan. 27, 1949.....	1.156	127,702,000.00	
	Issued for cash.....		774,358,000.00	
	United States savings bonds:			
30	Series D-1939.....	2.90	1,900,877.00	\$ 44,327,133.50
30	Series D-1940.....	2.90	2,356,636.00	2,347,776.00
30	Series D-1941.....	2.90	1,270,286.50	1,067,397.50
30	Series E-1941.....	2.90	2,309,032.00	4,163,648.00
30	Series E-1942.....	2.90	14,057,190.51	21,811,286.88
30	Series E-1943.....	2.90	14,815,348.09	37,664,398.80
30	Series E-1944.....	2.90	6,290,620.00	45,649,246.61
30	Series E-1945.....	2.90	7,578,143.23	37,384,162.88
30	Series E-1946.....	2.90	4,050,143.00	20,873,282.59
30	Series E-1947.....	2.90	2,902,487.57	26,319,034.99
30	Series E-1948.....	2.90	2,393,246.60	60,700,026.19
30	Series E-1949.....	2.90	346,790,586.25	23,400,945.00
30	Series F-1941.....	2.53	294,634.04	760,059.00
30	Series F-1942.....	2.53	1,058,650.32	2,381,769.81
30	Series F-1943.....	2.53	2,403,286.07	2,906,397.91
30	Series F-1944.....	2.53	314,551.32	2,802,351.29
30	Series F-1945.....	2.53	395,444.14	2,020,901.71
30	Series F-1946.....	2.53	311,918.13	2,092,077.98
30	Series F-1947.....	2.53	225,984.56	1,947,093.07
30	Series F-1948.....	2.53	726,860.25	1,250,064.40
30	Series F-1949.....	2.50	20,185,109.50	4,680.50
30	Series G-1941.....	2.50		2,114,100.00
30	Series G-1942.....	2.50		4,908,000.00
30	Series G-1943.....	2.50	17,000.00	6,943,100.00
30	Series G-1944.....	2.50		5,115,800.00
30	Series G-1945.....	2.50		5,023,800.00
30	Series G-1946.....	2.50	20,000.00	6,914,600.00
30	Series G-1947.....	2.50	30,000.00	6,379,000.00
30	Series G-1948.....	2.50	7189,100.00	6,316,300.00
30	Series G-1949.....	2.50	119,623,400.00	244,500.00
30	Unclassified sales and redemptions.....		632,932,757.60	6,223,160.42
30	Depository bonds, First Series.....	2	12,592,000.00	3,415,000.00
30	Depository bonds, Second Series.....	2	21,000.00	8,000.00
	Armed forces leave bonds:			
	Series 1944:			
30	Apr. 1, 1944.....	2½	1,700.00	1,959,525.00
30	July 1, 1944.....	2½	1,600.00	50,125.00
30	Oct. 1, 1944.....	2½	850.00	53,025.00
	Series 1945:			
30	Jan. 1, 1945.....	2½	325.00	98,475.00
30	Apr. 1, 1945.....	2½	900.00	88,700.00
30	July 1, 1945.....	2½	2,400.00	288,925.00
30	Oct. 1, 1945.....	2½	3,575.00	1,234,775.00
	Series 1946:			
30	Jan. 1, 1946.....	2½	14,975.00	4,326,700.00
30	Apr. 1, 1946.....	2½	5,550.00	1,880,175.00
30	July 1, 1946.....	2½	4,450.00	673,050.00
30	Oct. 1, 1946.....	2½	5,500.00	1,163,725.00
	Unclassified issues and redemptions.....		5,175.00	904,825.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949	Treasury savings notes:	Percent		
Apr. 30	Series C-1949.....	1.07		\$80,516,800.00
30	Series C-1950.....	1.07		⁵ 20,615,500.00
30	Series C-1951.....	1.07		9,992,900.00
30	Series D-1951.....	1.40		40,636,100.00
30	Series D-1952.....	1.40	\$262,299,400.00	5,732,300.00
30	Miscellaneous.....			470,500.00
	Total, April.....		5,365,257,256.98	5,336,113,220.03
May 5	Treasury bills:			
	Issued Feb. 3, 1949:			
	Redeemed in exchange for series dated May 5, 1949.....	1.161		26,881,000.00
	Redeemable for cash.....			774,226,090.00
5	Maturing Aug. 4, 1949:			
	Issued in exchange for series dated Feb. 3, 1949.....	1.117	26,881,000.00	
	Issued for cash.....		775,106,006.00	
12	Issued Feb. 10, 1949:			
	Redeemed in exchange for series dated May 12, 1949.....	1.163		19,485,000.00
	Redeemable for cash.....			883,706,000.00
12	Maturing Aug. 11, 1949:			
	Issued in exchange for series dated Feb. 10, 1949.....	1.148	19,485,000.00	
	Issued for cash.....		880,846,000.00	
19	Issued Feb. 17, 1949:			
	Redeemed in exchange for series dated May 19, 1949.....	1.163		268,779,006.00
	Redeemable for cash.....			532,969,000.00
19	Maturing Aug. 18, 1949:			
	Issued in exchange for series dated Feb. 17, 1949.....	1.157	268,779,000.00	
	Issued for cash.....		534,244,000.00	
26	Issued Feb. 24, 1949:			
	Redeemed in exchange for series dated May 26, 1949.....	1.163		185,483,000.00
	Redeemable for cash.....			415,697,000.00
26	Maturing Aug. 25, 1949:			
	Issued in exchange for series dated Feb. 24, 1949.....	1.159	485,483,000.00	
	Issued for cash.....		419,041,000.00	
	United States savings bonds:			
31	Series D-1939.....	2.90	2,260,881.50	⁶ 18,244,842.50
31	Series D-1940.....	2.90	2,615,650.00	2,037,208.00
31	Series D-1941.....	2.90		1,007,563.00
31	Series F-1941.....	2.90	4,545,394.75	4,346,157.75
31	Series F-1942.....	2.90	14,754,262.51	22,292,123.74
31	Series F-1943.....	2.90	8,037,365.18	37,851,855.13
31	Series F-1944.....	2.90	10,131,638.75	45,799,988.52
31	Series F-1945.....	2.90	17,898,743.83	37,550,979.54
31	Series F-1946.....	2.90	3,964,964.70	21,087,600.54
31	Series F-1947.....	2.90	2,652,687.69	26,395,139.15
31	Series F-1948.....	2.90	5,129,947.87	54,234,679.82
31	Series F-1949.....	2.90	312,032,281.25	35,093,148.75
31	Series F-1941.....	2.53	963,225.30	815,150.76
31	Series F-1942.....	2.53	1,080,629.74	2,573,851.59
31	Series F-1943.....	2.53	735,796.32	3,043,005.63
31	Series F-1944.....	2.53	877,144.18	2,602,160.26
31	Series F-1945.....	2.53	1,089,435.62	2,127,820.16
31	Series F-1946.....	2.53	295,133.48	2,216,931.51
31	Series F-1947.....	2.53	186,051.49	2,469,848.92
31	Series F-1948.....	2.53	52,094.55	1,487,367.70
31	Series F-1949.....	2.53	17,830,300.00	1,147.00
31	Series G-1941.....	2.50		3,360,300.00
31	Series G-1942.....	2.50		5,335,600.00
31	Series G-1943.....	2.50		6,962,600.00
31	Series G-1944.....	2.50		6,546,100.00
31	Series G-1945.....	2.50		7,229,500.00
31	Series G-1946.....	2.50		7,234,600.00
31	Series G-1947.....	2.50	700.00	8,084,100.00
31	Series G-1948.....	2.50	7,100.00	6,517,700.00
31	Series G-1949.....	2.50	92,074,600.00	58,800.00
31	Unclassified sales and redemptions.....		7,849,928.70	5,081,773.29
31	Depository bonds, First Series.....	2	5,493,500.00	825,000.00
31	Depository bonds, Second Series.....	2	50,000.00	26,000.00

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948-June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949	Armed forces leave bonds:			
May 31	Series 1944:	<i>Percent</i>		
31	July 1, 1944.....	2½	\$50.00	\$50,125.00
31	Oct. 1, 1944.....	2½	325.00	58,225.00
31	Series 1945:			
31	Jan. 1, 1945.....	2½	200.00	98,500.00
31	Apr. 1, 1945.....	2½	600.00	92,425.00
31	July 1, 1945.....	2½	550.00	295,075.00
31	Oct. 1, 1945.....	2½	2,300.00	1,260,400.00
31	Series 1946:			
31	Jan. 1, 1946.....	2½	5,800.00	4,255,225.00
31	Apr. 1, 1946.....	2½	4,000.00	2,088,700.00
31	July 1, 1946.....	2½	1,725.00	678,850.00
31	Oct. 1, 1946.....	2½	12,975.00	1,099,575.00
31	Unclassified issues and redemptions.....		69,225.00	6299,350.00
31	Treasury savings notes:			
31	Series C-1949.....	1.07		647,525,900.00
31	Series C-1950.....	1.07		15,565,300.00
31	Series C-1951.....	1.07	1,000.00	13,565,900.00
31	Series D-1951.....	1.40		19,071,400.00
31	Series D-1952.....	1.40	325,368,600.00	25,246,500.00
31	Miscellaneous.....			154,000.00
	Total, May.....		4,247,563,357.41	3,948,633,453.26
June 1	Certificates of indebtedness, Series E-1949 redeemed in exchange for certificates, Series E-1950.....	1½		4,105,798,000.00
1	Certificates of indebtedness, Series E-1949.....	1½		195,319,000.00
1	Treasury bonds of 1949-51, dated Jan. 15, 1942, redeemed in exchange for certificates, Series E-1950.....	2		912,990,000.00
1	Certificates of indebtedness, Series E-1950.....	1½	5,018,788,000.00	
2	Treasury bills:			
	Issued Mar. 3, 1949:			
	Redeemed in exchange for series dated June 2, 1949.....	1.163		552,623,000.00
	Redeemable for cash.....			354,251,000.00
2	Maturing Sept. 1, 1949:			
	Issued in exchange for series dated Mar. 3, 1949.....	1.159	552,623,000.00	
	Issued for cash.....		348,538,000.00	
9	Issued Mar. 10, 1949:			
	Redeemed in exchange for series dated June 9, 1949.....	1.162		241,356,000.00
	Redeemable for cash.....			664,505,000.00
9	Maturing Sept. 8, 1949:			
	Issued in exchange for series dated Mar. 10, 1949.....	1.158	241,356,000.00	
	Issued for cash.....		663,232,000.00	
15	Treasury bonds of 1949-51, dated Jan. 15, 1942, called for redemption.....	2		101,028,900.00
16	Treasury bills:			
	Issued Mar. 17, 1949:			
	Redeemed in exchange for series dated June 16, 1949.....	1.162		265,052,000.00
	Redeemable for cash.....			637,574,000.00
16	Maturing Sept. 15, 1949:			
	Issued in exchange for series dated Mar. 17, 1949.....	1.158	265,052,000.00	
	Issued for cash.....		642,485,000.00	
23	Issued Mar. 24, 1949:			
	Redeemed in exchange for series dated June 23, 1949.....	1.162		475,738,000.00
	Redeemable for cash.....			431,264,000.00
23	Maturing Sept. 22, 1949:			
	Issued in exchange for series dated Mar. 24, 1949.....	1.158	475,738,000.00	
	Issued for cash.....		427,236,000.00	
30	Issued Mar. 31, 1949:			
	Redeemed in exchange for series dated June 30, 1949.....	1.162		323,721,000.00
	Redeemable for cash.....			579,139,000.00
30	Maturing Sept. 29, 1949:			
	Issued in exchange for series dated Mar. 31, 1949.....	1.158	323,721,000.00	
	Issued for cash.....		577,242,000.00	

Footnotes at end of table.

TABLE 23.—*Issues, maturities, and redemptions of interest-bearing public debt securities, excluding special issues, July 1948–June 1949*¹—Continued

Date	Issue	Rate of interest ²	Amount issued ³	Amount matured, or called or redeemed prior to maturity ⁴
1949	United States savings bonds:	Percent		
June 30	Series D-1939.....	2.90	\$3,634,532.50	⁵ \$58,617,565.00
30	Series D-1940.....	2.90	3,024,389.50	2,380,594.50
30	Series D-1941.....	2.90	-----	1,054,506.00
30	Series E-1941.....	2.90	10,919,665.75	4,724,857.00
30	Series E-1942.....	2.90	18,297,956.27	23,028,126.10
30	Series E-1943.....	2.90	8,757,063.57	39,093,313.82
30	Series E-1944.....	2.90	23,269,061.05	47,858,273.66
30	Series E-1945.....	2.90	17,399,908.63	40,034,985.72
30	Series E-1946.....	2.90	4,764,937.46	21,801,208.75
30	Series E-1947.....	2.90	3,347,536.93	26,553,099.40
30	Series E-1948.....	2.90	1,970,458.00	51,823,631.21
30	Series E-1949.....	2.90	362,770,506.25	46,355,985.00
30	Series F-1941.....	2.53	930,263.99	620,122.54
30	Series F-1942.....	2.53	1,398,556.89	1,754,752.07
30	Series F-1943.....	2.53	669,001.30	2,888,972.38
30	Series F-1944.....	2.53	2,643,128.58	3,323,305.04
30	Series F-1945.....	2.53	2,662,174.29	2,360,790.25
30	Series F-1946.....	2.53	400,161.72	1,558,789.65
30	Series F-1947.....	2.53	233,112.09	1,998,729.74
30	Series F-1948.....	2.53	59,703.50	1,639,511.70
30	Series F-1949.....	2.53	18,999,777.50	10,711.50
30	Series G-1941.....	2.50	-----	2,774,300.00
30	Series G-1942.....	2.50	-----	5,469,800.00
30	Series G-1943.....	2.50	-----	6,426,500.00
30	Series G-1944.....	2.50	-----	7,947,600.00
30	Series G-1945.....	2.50	-----	7,018,100.00
30	Series G-1946.....	2.50	-----	7,826,800.00
30	Series G-1947.....	2.50	-----	7,254,500.00
30	Series G-1948.....	2.50	100,000.00	5,764,700.00
30	Series G-1949.....	2.50	100,475,500.00	80,600.00
30	Unclassified sales and redemptions.....	-----	2,583,759.78	15,826,011.34
30	Depository bonds, First Series.....	2	15,009,000.00	720,000.00
30	Depository bonds, Second Series.....	2	21,000.00	63,000.00
	Armed forces leave bonds:			
	Series 1944:			
30	July 1, 1944.....	2½	625.00	56,700.00
30	Oct. 1, 1944.....	2½	200.00	54,100.00
	Series 1945:			
30	Jan. 1, 1945.....	2½	700.00	99,950.00
30	Apr. 1, 1945.....	2½	425.00	99,225.00
30	July 1, 1945.....	2½	100.00	311,500.00
30	Oct. 1, 1945.....	2½	1,075.00	1,317,200.00
	Series 1946:			
30	Jan. 1, 1946.....	2½	4,950.00	4,682,775.00
30	Apr. 1, 1946.....	2½	3,775.00	2,213,575.00
30	July 1, 1946.....	2½	600.00	742,375.00
30	Oct. 1, 1946.....	2½	5,000.00	1,299,275.00
30	Unclassified issues and redemptions.....	-----	8,850.00	⁶ 971,925.00
	Treasury savings notes:			
30	Series C-1949.....	1.07	-----	⁶ 156,085,300.00
30	Series C-1950.....	1.07	-----	52,445,800.00
30	Series C-1951.....	1.07	-----	37,534,500.00
30	Series D-1951.....	1.40	-----	84,134,700.00
30	Series D-1952.....	1.40	614,119,500.00	115,882,000.00
30	Miscellaneous.....	-----	-----	127,000.00
	Total, June.....	-----	10,754,497,955.55	10,743,126,692.37
	Total, fiscal year 1949.....	-----	94,310,262,364.65	96,176,654,021.20

¹ On basis of daily Treasury statements, supplemented by special statements on public debt issues, redemptions, and exchanges by Bureau of the Public Debt.

² For Treasury bills, average rates on bank discount basis are shown; for United States savings bonds, approximate yield to maturity is shown.

³ For United States savings bonds of Series C to F not currently on sale, amounts represent accrued discount plus issue price of bonds in adjustment cases; for Series E and F currently on sale, amounts represent issue price plus accrued discount; and for Series G, amounts represent issue price at par.

⁴ For United States savings bonds of Series C to F, amounts represent current redemption value (issue price plus accrued discount); and for Series G, amounts represent redemption value at par.

⁵ Includes securities of certain issue months which have matured.

⁶ Deduct. Represents excess of amounts transferred from unclassified sales and redemptions to sales and redemptions of a designated series over amounts received as unclassified sales and redemptions.

⁷ Deduct.

TABLE 24.—*Public debt increases and decreases, and balances in general fund, fiscal years 1916-49*

[In millions of dollars. On basis of daily Treasury statements, see p. 351]

Fiscal year	Public debt outstanding at end of year	Increase, or decrease (—) in public debt during year	Analysis of increase or decrease in public debt			General fund balance at end of year
			Due to excess of expenditures (+) or receipts (—)	Resulting increase (+) or decrease (—) in general fund balance	Decreases due to statutory debt retirements ¹	
1915.....	1, 191. 4					158. 1
1916.....	1, 225. 1	33. 8	—48. 5	+82. 3		240. 4
1917.....	2, 975. 6	1, 750. 5	+853. 4	+897. 1		1, 137. 5
1918.....	12, 455. 2	9, 479. 6	+9, 033. 3	+447. 5	1. 1	1, 585. 0
1919.....	25, 484. 5	13, 029. 3	+13, 370. 6	—333. 3	8. 0	1, 251. 7
1920.....	24, 299. 3	—1, 185. 2	—212. 5	—894. 0	78. 7	357. 7
1921.....	23, 977. 5	—321. 9	—86. 7	+192. 0	427. 1	549. 7
1922.....	22, 963. 4	—1, 014. 1	—313. 8	—277. 6	422. 7	272. 1
1923.....	22, 349. 7	—613. 7	—309. 7	+98. 8	402. 9	370. 9
1924.....	21, 250. 8	—1, 098. 9	—505. 4	—135. 5	458. 0	235. 4
1925.....	20, 516. 2	—734. 6	—250. 5	—17. 6	466. 5	217. 8
1926.....	19, 643. 2	—873. 0	—377. 8	—7. 8	487. 4	210. 0
1927.....	18, 511. 9	—1, 131. 3	—635. 8	+24. 1	519. 6	234. 1
1928.....	17, 604. 3	—907. 6	—398. 8	+31. 5	540. 3	265. 5
1929.....	16, 931. 1	—673. 2	—184. 8	+61. 2	549. 6	326. 7
1930.....	16, 185. 3	—745. 8	—183. 8	—8. 1	553. 9	318. 6
1931.....	16, 801. 3	616. 0	+902. 7	+153. 3	440. 1	471. 9
1932.....	19, 487. 0	2, 685. 7	+3, 153. 1	—54. 7	412. 6	417. 2
1933.....	22, 538. 7	3, 051. 7	+3, 068. 3	+445. 0	461. 6	862. 2
1934.....	27, 053. 1	4, 514. 5	+3, 154. 6	+1, 719. 7	359. 9	2, 581. 9
1935.....	28, 700. 9	1, 647. 8	+2, 961. 9	—740. 6	573. 6	1, 841. 3
1936.....	33, 778. 5	5, 077. 7	+4, 640. 7	+840. 2	403. 2	2, 681. 5
1937.....	36, 424. 6	2, 646. 1	+2, 878. 1	—128. 0	104. 0	2, 553. 5
1938.....	37, 164. 7	740. 1	+1, 143. 1	—337. 6	65. 5	2, 215. 9
1939.....	40, 439. 5	3, 274. 8	+2, 710. 7	+622. 3	58. 2	2, 838. 2
1940.....	42, 967. 5	2, 528. 0	+3, 604. 7	—947. 5	129. 2	1, 890. 7
1941.....	48, 961. 4	5, 993. 9	+5, 315. 7	+742. 4	64. 3	2, 633. 2
1942.....	72, 422. 4	23, 461. 0	+23, 197. 8	+358. 0	94. 7	2, 991. 1
1943.....	136, 696. 1	64, 273. 6	+57, 761. 7	+6, 515. 4	3. 5	9, 506. 6
1944.....	201, 003. 4	64, 307. 3	+53, 645. 3	+10, 662. 0	(*)	20, 168. 6
1945.....	258, 682. 2	57, 678. 8	+53, 149. 6	+4, 529. 2	(*)	24, 697. 7
1946.....	269, 422. 1	10, 739. 9	+21, 199. 8	—10, 459. 8	(*)	14, 237. 9
1947.....	258, 286. 4	—11, 135. 7	—206. 0	—10, 929. 7		3, 308. 1
1948.....	252, 292. 2	—5, 994. 1	—6, 606. 4	+1, 623. 9	1, 011. 6	4, 932. 0
1949.....	252, 770. 4	478. 1	+1, 947. 5	—1, 461. 6	7. 8	3, 470. 4
Total.....		251, 579. 1	+257, 372. 2	+3, 312. 3	9, 105. 5	

SUMMARY OF CHANGES IN THE PUBLIC DEBT, FISCAL YEARS 1916-49

[In millions of dollars]

Increase in debt on account of—		
Excess of expenditures in certain years.....	267, 692. 6	
Net increase in general fund balance.....	3, 312. 3	271, 004. 9
Decrease in debt on account of—		
Statutory debt retirements.....	9, 105. 5	
Retirements from surplus receipts in certain years.....	10, 320. 6	
		19, 426. 1
Net increase in debt since June 30, 1915.....		251, 579. 1
Public debt:		
As of June 30, 1915.....	1, 191. 4	
As of June 30, 1949.....	252, 770. 4	
Net increase, as above.....		251, 579. 1

^{*}Less than \$50,000.¹Beginning 1948, statutory debt retirements were not included in budget expenditures in the daily Treasury statement. Such expenditures have been included in this table for comparable purposes.

TABLE 25.—*Statutory debt retirements, fiscal years 1918-49*

[In thousands of dollars. On basis of par amounts and of daily Treasury statements through 1947, and on basis of Public Debt accounts for 1948 and 1949; see p. 351]

Fiscal year	Cumulative sinking fund	Repayments of foreign debt	Bonds and notes received for estate taxes	Bonds received for loans from Public Works Administration	Franchise tax receipts, Federal Reserve Banks	Payments from net earnings, Federal intermediate credit banks ¹	Commodity Credit Corporation capital repayments	Miscellaneous gifts, forfeitures, etc.	Total
1918.....	-----	-----	-----	-----	1,134	-----	-----	-----	1,134
1919.....	-----	7,922	93	-----	-----	-----	-----	-----	8,015
1920.....	-----	72,670	3,141	-----	2,922	-----	-----	13	78,746
1921.....	261,100	73,939	26,349	-----	60,724	-----	-----	² 5,010	427,123
1922.....	276,046	64,838	21,085	-----	60,333	-----	-----	393	422,695
1923.....	284,019	100,893	6,569	-----	10,815	-----	-----	555	402,850
1924.....	295,987	149,388	8,897	-----	3,635	-----	-----	93	458,000
1925.....	306,309	159,179	47	-----	114	680	-----	208	466,538
1926.....	317,092	169,654	-----	-----	59	509	-----	63	487,376
1927.....	333,528	179,216	-----	-----	818	414	-----	5,578	519,555
1928.....	354,741	181,804	2	-----	250	369	-----	3,090	540,255
1929.....	370,277	176,213	20	-----	2,667	266	-----	160	549,604
1930.....	388,369	160,926	73	-----	4,283	172	-----	61	553,884
1931.....	391,660	48,246	-----	-----	18	74	-----	85	440,082
1932.....	412,555	-----	1	-----	-----	21	-----	53	412,630
1933.....	425,660	33,887	-----	-----	2,037	-----	-----	21	461,605
1934.....	359,492	357	-----	-----	-----	-----	-----	15	359,864
1935.....	573,001	-----	1	-----	-----	-----	-----	556	573,558
1936.....	403,238	-----	-----	-----	-----	-----	-----	1	403,240
1937.....	103,815	142	-----	-----	-----	-----	-----	14	103,971
1938.....	65,116	210	-----	-----	-----	-----	-----	139	65,465
1939.....	48,518	120	-----	8,095	-----	1,501	-----	12	58,246
1940.....	128,349	-----	-----	134	-----	685	-----	16	129,184
1941.....	37,011	-----	-----	1,321	-----	548	25,364	16	64,260
1942.....	75,342	-----	-----	668	-----	315	18,393	5	94,722
1943.....	3,460	-----	-----	-----	-----	-----	-----	4	3,463
1944.....	-1	-----	-----	-----	-----	-----	-----	3	2
1945.....	-----	-----	-----	-----	-----	-----	-----	2	2
1946.....	-----	-----	-----	-----	-----	-----	-----	4	4
1947.....	-----	-----	-----	-----	-----	-----	-----	(³)	-----
1948.....	746,636	-----	-----	8,028	-----	1,634	45,509	⁴ 209,828	1,011,636
1949.....	7,498	-----	-----	-----	-----	178	-----	⁴ 81	7,758
Total....	6,968,817	1,579,605	66,278	18,248	149,809	7,367	89,266	226,079	9,105,468

¹ Act of Mar. 4, 1923 (42 Stat. 1456, sec. 206 (b)), requiring division of net earnings, was amended by act of May 19, 1932 (47 Stat. 159, sec. 3). Act of Aug. 19, 1937 (50 Stat. 715, sec. 30), provides for franchise tax.

² Includes \$4,842,066.45 written off the debt Dec. 31, 1920, on account of fractional currency estimated to have been lost or destroyed in circulation.

³ Beginning with 1947, bonds acquired through gifts, forfeitures, and estate taxes are redeemed prior to maturity from regular public debt receipts.

⁴ Represents payments from net earnings, War Damage Corporation.

TABLE 26.—*Cumulative sinking fund, fiscal years 1921-49*

[In millions of dollars. On basis of Public Debt accounts, see p. 351]

Fiscal year	Appropriations	Available for expenditure during year ¹	Debt retired ²	
			Par amount	Cost (principal)
1921.....	256.2	256.2	261.3	254.8
1922.....	273.1	274.5	275.9	274.5
1923.....	284.1	284.2	284.0	284.1
1924.....	294.9	294.9	296.0	294.9
1925.....	306.7	306.7	306.3	306.7
1926.....	321.2	321.2	317.1	321.2
1927.....	336.9	336.9	333.5	336.9
1928.....	355.1	355.1	354.7	355.1
1929.....	370.2	370.2	370.3	370.2
1930.....	382.9	382.9	388.4	382.9
1931.....	392.2	392.2	391.7	392.2
1932.....	410.9	410.9	412.6	410.9
1933.....	425.6	425.6	425.7	425.6
1934.....	438.5	438.5	359.5	359.2
1935.....	493.8	573.2	573.0	573.0
1936.....	553.0	553.2	403.3	403.3
1937.....	572.8	722.7	103.7	103.7
1938.....	577.6	1,196.5	65.2	65.2
1939.....	580.9	1,712.2	48.5	48.5
1940.....	582.0	2,245.6	128.3	128.3
1941.....	585.8	2,703.2	37.0	37.0
1942.....	586.9	3,253.1	75.3	75.3
1943.....	587.8	3,765.6	3.4	3.4
1944.....	587.6	4,349.7	-----	-----
1945.....	587.6	4,937.4	-----	-----
1946.....	587.6	5,525.0	-----	-----
1947.....	587.6	6,112.6	-----	-----
1948.....	603.5	6,716.0	746.6	746.6
1949.....	619.6	6,589.0	7.5	7.5
Total.....	13,542.7	-----	6,968.8	6,961.1
Deduct cumulative expenditures.....	6,961.1	-----	-----	-----
Unexpended balance.....	6,581.5	-----	-----	-----

¹ Amount available each year includes unexpended balance brought forward from prior year.² Net discount on debt retired through June 30, 1949, is \$7.7 million.TABLE 27.—*Transactions on account of the cumulative sinking fund, fiscal year 1949*

[On basis of Public Debt accounts, see p. 351]

Unexpended balance July 1, 1948.....	\$5,969,385,689.46
Appropriation for 1949:	
Initial credit:	
(a) Under the Victory Liberty Loan Act (2½% of the aggregate amount of Liberty bonds and Victory notes outstanding on July 1, 1920, less an amount equal to the par amount of any obligation of foreign governments held by the United States on July 1, 1920).....	\$253,404,864.87
(b) Under the Emergency Relief and Construction Act of 1932 (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act).....	7,860,606.83
(c) Under the National Industrial Recovery Act (2½% of the aggregate amount of expenditures from appropriations made or authorized under this act).....	80,163,730.62
Total initial credit.....	341,429,202.32
Secondary credit (the interest which would have been payable during the fiscal year for which the appropriation is made on the bonds and notes purchased, redeemed, or paid out of the sinking fund during such year or in previous years).....	278,212,381.74
	619,641,584.06
Total available, 1949.....	6,589,027,273.52
Securities retired in 1949: 4¼% Treasury bonds of 1947-52.....	7,498,300.00
Unexpended balance June 30, 1949.....	6,581,528,973.52

United States savings bonds and Treasury savings notes

TABLE 28.—*Summary of sales and redemptions of savings bonds, by series, fiscal years 1935-49 and monthly 1949*

[In millions of dollars. On basis of daily Treasury statements, see p. 351]

Fiscal year or month	Series A-D ¹	Series E	Series F	Series G ²	Total
Sales ³ at issue price plus accrued discount					
1935 (Mar. 1-June 30).....	62.6				62.6
1936.....	265.2				265.2
1937.....	519.7				519.7
1938.....	504.7				504.7
1939.....	712.5				712.5
1940.....	1,150.8				1,150.8
1941.....	893.0	203.1	66.7	394.6	1,557.4
1942.....	86.6	3,527.8	435.1	2,032.1	6,081.6
1943.....	92.1	8,304.4	700.4	2,759.5	11,916.3
1944.....	96.0	11,938.1	811.1	2,875.6	15,720.9
1945.....	103.3	11,818.1	698.0	2,658.3	15,277.8
1946.....	106.0	7,172.7	440.1	2,465.4	10,184.2
1947.....	107.5	4,823.6	406.8	2,560.8	7,898.7
1948.....	110.1	4,659.2	362.4	1,907.4	7,039.1
1949.....	100.7	5,031.9	545.2	2,390.0	8,067.6
Total through June 30, 1949.....	4,910.7	57,478.9	4,525.8	20,043.6	86,959.1
1948-July.....	16.8	448.2	254.0	1,048.1	1,767.1
August.....	9.5	383.0	21.8	122.1	536.4
September.....	7.3	356.3	18.7	94.2	476.5
October.....	6.4	353.8	18.5	96.4	475.1
November.....	5.1	367.4	20.4	95.3	488.1
December.....	8.1	481.9	30.2	119.6	639.7
1949-January.....	15.7	512.8	37.8	179.7	746.1
February.....	8.7	438.7	36.3	181.6	665.3
March.....	6.6	471.8	31.3	149.0	658.7
April.....	5.5	385.1	23.9	104.0	518.4
May.....	4.3	385.6	23.5	93.4	506.8
June.....	6.7	447.3	28.8	106.6	589.3
Redemptions ⁴ (including redemptions of matured bonds) at current redemption value					
1935 (Mar. 1-June 30).....	0.5				0.5
1936.....	11.2				11.2
1937.....	36.2				36.2
1938.....	66.6				66.6
1939.....	82.0				82.0
1940.....	114.3				114.3
1941.....	147.5	(*)	(*)	0.5	148.1
1942.....	132.7	60.0	2.9	11.8	207.4
1943.....	88.2	688.6	17.0	54.5	848.3
1944.....	79.3	2,099.9	57.7	134.0	2,370.9
1945.....	142.8	3,845.9	89.3	220.4	4,298.4
1946.....	308.6	5,911.7	149.1	347.7	6,717.1
1947.....	482.1	4,390.9	203.0	469.0	5,544.9
1948.....	515.9	3,824.8	206.5	565.7	5,112.9
1949.....	702.6	3,529.7	216.0	619.0	5,067.4
Total through June 30, 1949.....	2,910.5	24,351.5	941.5	2,422.7	30,626.1
1948-July.....	41.5	318.0	21.6	56.6	437.7
August.....	44.8	320.8	21.5	55.1	442.1
September.....	34.2	302.4	19.3	51.0	406.9
October.....	38.5	286.3	17.0	51.6	393.5
November.....	41.2	294.4	18.2	52.6	406.3
December.....	59.4	305.6	16.3	50.9	432.3
1949-January.....	117.8	282.4	19.1	57.1	476.4
February.....	77.6	223.8	18.1	49.1	368.5
March.....	70.3	305.0	15.3	49.1	439.7
April.....	53.8	284.2	16.2	44.0	398.1
May.....	56.4	289.7	17.3	51.3	414.8
June.....	67.3	317.1	16.2	50.6	451.1

¹ Less than \$50,000.² Not issued after Apr. 30, 1941. Sales figures after that date represent accrued discount on outstanding bonds and adjustments. Series A bonds began to mature in March 1945; Series B, in January 1946; Series C-1937, in January 1947; Series C-1938, in January 1948; and Series D-1939, in January 1949.³ Series G is stated at par.⁴ See table 29, footnote 2.⁵ See table 29, footnote 3.

TABLE 29.—Sales and redemptions of Series E, F, and G savings bonds, by series, fiscal years 1941-49 and monthly 1949

[In millions of dollars]

Fiscal year or month	Sales ^{1 2}	Accrued discount	Sales plus accrued discount	Redemptions ³			Amounts out-standing ⁶ (interest-bearing)
				Total	Original purchase price ⁴	Accrued dis-cout ⁵	
Series E							
1941 (May 1-June 30).....	203.1	-----	203.1	(*)	(*)	-----	203.1
1942.....	3,526.3	1.5	3,527.8	60.0	60.0	(*)	3,670.8
1943.....	8,271.3	33.1	8,304.4	688.6	688.0	0.6	11,286.6
1944.....	11,819.7	118.4	11,938.1	2,099.9	2,094.7	5.2	21,124.8
1945.....	11,553.4	264.8	11,818.1	3,845.9	3,825.5	20.4	29,097.1
1946.....	6,738.9	433.8	7,172.7	5,911.7	5,842.8	68.9	30,358.2
1947.....	4,287.3	536.3	4,823.6	4,390.9	4,288.0	102.9	30,791.0
1948.....	4,026.1	633.1	4,659.2	3,824.8	3,689.0	135.8	31,625.3
1949.....	4,278.5	753.4	5,031.9	3,529.7	3,367.9	161.9	33,127.4
Total through June 30, 1949.....	54,704.5	2,774.4	57,478.9	24,351.5	23,855.9	495.6	33,127.4
1948—July.....	378.6	69.6	448.2	318.0	304.6	13.4	31,755.5
August.....	333.7	49.3	383.0	320.8	307.0	13.8	31,817.7
September.....	304.0	52.3	356.3	302.4	289.2	13.2	31,871.6
October.....	305.1	48.7	353.8	286.3	273.7	12.7	31,939.1
November.....	307.9	59.5	367.4	294.4	281.1	13.3	32,012.1
December.....	398.7	83.2	481.9	305.6	291.9	13.7	32,188.3
1949—January.....	438.3	74.6	512.8	282.4	269.3	13.1	32,418.8
February.....	385.6	53.1	438.7	223.8	213.1	10.7	32,633.7
March.....	414.7	57.1	471.8	305.0	290.6	14.4	32,800.5
April.....	331.4	53.7	385.1	284.2	270.5	13.7	32,901.4
May.....	321.7	63.9	385.6	289.7	275.5	14.2	32,997.2
June.....	358.8	88.6	447.3	317.1	301.3	15.8	33,127.4
Series F							
1941 (May 1-June 30).....	66.7	-----	66.7	(*)	(*)	-----	66.6
1942.....	434.9	0.2	435.1	2.9	2.9	(*)	498.9
1943.....	757.9	2.5	760.4	17.0	17.0	(*)	1,242.3
1944.....	802.2	8.8	811.1	57.7	57.4	0.3	1,995.7
1945.....	679.1	18.9	698.0	89.3	88.5	.9	2,604.4
1946.....	407.3	32.8	440.1	149.1	146.5	2.6	2,895.4
1947.....	359.7	47.2	406.8	203.0	197.2	5.8	3,099.2
1948.....	301.2	61.2	362.4	206.5	197.8	8.7	3,255.1
1949.....	472.6	72.6	545.2	216.0	204.2	11.8	3,584.3
Total through June 30, 1949.....	4,281.6	244.2	4,525.8	941.5	911.5	30.0	3,584.3
1948—July.....	246.0	8.0	254.0	21.6	20.5	1.1	3,487.5
August.....	17.7	4.1	21.8	21.5	20.4	1.1	3,487.9
September.....	13.6	5.1	18.7	19.3	18.3	1.0	3,487.3
October.....	13.8	4.7	18.5	17.0	16.1	.9	3,488.9
November.....	15.5	4.9	20.4	18.2	17.2	1.0	3,491.1
December.....	22.1	8.2	30.2	16.3	15.4	.9	3,505.0
1949—January.....	29.3	8.6	37.8	19.1	18.1	1.1	3,523.6
February.....	31.9	4.4	36.3	18.1	17.0	1.1	3,541.9
March.....	25.9	5.4	31.3	15.3	14.5	.9	3,557.9
April.....	18.8	5.0	23.9	16.2	15.2	1.0	3,565.5
May.....	18.2	5.3	23.5	17.3	16.3	1.0	3,571.7
June.....	19.8	9.0	28.8	16.2	15.2	.9	3,584.3

Footnotes at end of table.

TABLE 29.—*Sales and redemptions of Series E, F, and G savings bonds, by series, fiscal years 1941-49 and monthly 1949—Continued*

[In millions of dollars]

Fiscal year or month	Sales ¹	Accrued discount	Sales plus accrued discount	Redemptions ²			Amounts out- standing ⁶ (interest-bearing)
				Total	Original purchase price ⁴	Accrued dis- count ⁵	
Series G							
1941 (May 1-June 30) -----	394.6	-----	394.6	0.5	0.5	-----	394.0
1942 -----	2,032.1	-----	2,032.1	11.8	11.8	-----	2,414.3
1943 -----	2,759.5	-----	2,759.5	54.5	54.5	-----	5,119.2
1944 -----	2,875.6	-----	2,875.6	134.0	134.0	-----	7,860.8
1945 -----	2,658.3	-----	2,658.3	220.4	220.4	-----	10,298.8
1946 -----	2,465.4	-----	2,465.4	347.7	347.7	-----	12,416.5
1947 -----	2,560.8	-----	2,560.8	469.0	469.0	-----	14,508.3
1948 -----	1,907.4	-----	1,907.4	565.7	565.7	-----	15,850.0
1949 -----	2,390.0	-----	2,390.0	619.0	619.0	-----	17,620.9
Total through June 30, 1949 -----	20,043.6	-----	20,043.6	2,422.7	2,422.7	-----	17,620.9
1948—July -----	⁷ 1,048.1	-----	1,048.1	56.6	56.6	-----	16,841.5
August -----	122.1	-----	122.1	55.1	55.1	-----	16,908.5
September -----	94.2	-----	94.2	51.0	51.0	-----	16,951.6
October -----	96.4	-----	96.4	51.6	51.6	-----	16,996.3
November -----	95.3	-----	95.3	52.6	52.6	-----	17,039.0
December -----	119.6	-----	119.6	50.9	50.9	-----	17,107.8
1949—January -----	179.7	-----	179.7	57.1	57.1	-----	17,230.4
February -----	181.6	-----	181.6	49.1	49.1	-----	17,363.0
March -----	149.0	-----	149.0	49.1	49.1	-----	17,462.8
April -----	104.0	-----	104.0	44.0	44.0	-----	17,522.8
May -----	93.4	-----	93.4	51.3	51.3	-----	17,564.9
June -----	106.6	-----	106.6	50.6	50.6	-----	17,620.9

NOTE.—Details by months from May 1941 for Series E, F, and G bonds (and from May 1935 for Series A-D bonds) will be found in 1943 annual report, p. 604, and in corresponding tables in subsequent reports. Series A-D sales and redemptions will be found in table 28 of this report.

¹ Less than \$50,000.

² Includes sales of F and G bonds to commercial banks. During calendar year 1940, commercial banks were permitted to purchase limited amounts of Series F and G bonds for investment of savings deposits (for details as to limitations, see pp. 44 and 47 of 1944 annual report); and they were again permitted to make such purchases from June 18 through June 30, 1945 (see pp. 50 and 51 of 1945 annual report), and from Dec. 3 through Dec. 8, 1945 (see p. 38 of 1946 annual report). See also footnote 7.

³ Beginning with June 1947, Series E sales include small amounts of unclassified sales consisting of Series E, F, and G. These amounts are substantially less than sales reported as unclassified in daily Treasury statement. The greater part of that item consists of sales for which information is available as to series but not year of issue. On basis of that information such sales are included in this table according to series. Prior to June 1947 it was possible to distribute by series all sales reported as unclassified in daily Treasury statement.

⁴ Series E redemptions include small amounts of unclassified Series A-D redemptions beginning with October 1944, and small amounts also of unclassified Series F and G redemptions beginning with June 1947.

⁵ Estimated, except for Series G.

⁶ Estimated. Figures represent increment in value.

⁷ Amounts outstanding are at current redemption values, except Series G bonds which are stated at par. Unclassified bonds shown in daily Treasury statement have been classified by series in this table.

⁸ Includes sales to institutional investors from July 1-15, 1948 (Security Loan drive). See 1948 annual report, exhibit 12.

TABLE 30.—Sales of Series E, F, and G savings bonds by denominations, fiscal years 1941-49 and monthly 1949

[On basis of daily Treasury statements and reports of sales]

Fiscal year or month	Total all denominations	\$10 ¹	\$25	\$50	\$100	\$200 ²	\$500	\$1,000
Series E sales, in millions of dollars at issue price								
1941.....	203.1	-----	14.4	13.3	41.4	-----	40.7	93.4
1942.....	3,526.3	-----	615.6	341.5	812.7	-----	636.9	1,119.5
1943.....	8,271.3	-----	2,988.2	1,081.0	1,713.8	-----	1,007.3	1,481.0
1944.....	11,819.7	-----	4,149.1	1,642.5	2,583.5	-----	1,396.9	2,047.8
1945.....	11,553.4	69.2	3,927.7	1,724.8	2,405.2	-----	1,325.7	2,099.7
1946.....	6,738.9	63.8	2,101.3	910.3	1,102.0	196.6	774.3	1,590.6
1947.....	4,287.3	15.7	860.2	408.6	585.2	120.1	616.7	1,680.8
1948.....	4,026.1	3.9	677.7	371.3	583.2	122.4	589.2	1,678.3
1949.....	4,278.5	3.0	738.7	428.4	641.3	137.4	588.4	1,741.3
1948—July.....	378.6	.3	58.9	33.4	53.5	11.7	54.9	166.0
August.....	333.7	.3	60.2	33.8	51.0	10.7	47.1	130.7
September.....	304.0	.3	56.8	32.2	48.4	9.9	42.5	113.9
October.....	305.1	.3	58.7	32.2	47.8	10.4	41.5	114.3
November.....	307.9	.2	61.9	35.0	49.8	10.4	42.1	108.5
December.....	398.7	.3	73.8	42.5	62.8	13.3	54.7	151.3
1949—January.....	438.3	.2	56.7	34.0	54.6	12.8	62.3	217.6
February.....	385.6	.2	59.1	34.9	52.6	11.1	52.3	175.3
March.....	414.7	.2	70.5	42.2	61.8	13.1	56.0	170.9
April.....	331.4	.2	58.3	34.3	50.2	10.7	44.2	133.4
May.....	321.7	.2	60.4	36.0	51.8	11.0	41.8	120.3
June.....	358.8	.2	63.5	37.9	56.9	12.3	48.8	139.1
Series E sales, in thousands of pieces								
1941.....	1,905	-----	767	353	552	-----	108	125
1942.....	55,967	-----	32,832	9,107	10,837	-----	1,698	1,493
1943.....	215,709	-----	159,369	28,828	22,851	-----	2,686	1,975
1944.....	305,986	-----	221,284	43,800	34,447	-----	3,725	2,730
1945.....	303,116	9,223	209,480	45,995	32,083	-----	3,535	2,800
1946.....	165,039	8,505	112,071	24,274	14,693	1,311	2,065	2,121
1947.....	71,356	2,095	45,876	10,896	7,803	801	1,645	2,241
1948.....	58,971	522	36,146	9,901	7,777	816	1,571	2,238
1949.....	64,576	394	39,400	11,425	8,550	916	1,569	2,322
1948—July.....	5,223	34	3,139	891	713	78	146	221
August.....	5,201	36	3,213	901	681	71	126	174
September.....	4,903	37	3,031	859	645	66	113	152
October.....	4,994	36	3,129	859	638	69	111	152
November.....	5,252	31	3,299	932	664	69	112	145
December.....	6,386	45	3,935	1,132	838	89	146	202
1949—January.....	5,231	30	3,024	907	728	85	166	290
February.....	5,258	27	3,152	930	702	74	140	234
March.....	6,204	32	3,759	1,125	823	88	149	228
April.....	5,086	23	3,111	916	670	72	118	178
May.....	5,253	33	3,222	961	691	74	111	160
June.....	5,585	30	3,387	1,012	758	82	130	186
Series F sales, in millions of dollars at issue price								
1941.....	66.7	-----	0.9	2.0	13.2	-----	12.3	38.3
1942.....	434.9	1.3	19.6	27.5	123.6	-----	91.7	171.1
1943.....	757.9	4.0	24.8	40.6	210.1	-----	170.2	308.3
1944.....	802.2	5.6	24.9	40.9	213.3	-----	162.7	354.8
1945.....	679.1	5.4	20.0	32.7	167.3	-----	127.5	326.2
1946.....	407.3	2.3	9.9	16.9	101.3	-----	77.7	199.2
1947.....	359.7	.8	5.9	11.6	89.0	-----	72.1	180.3
1948.....	301.2	.6	4.9	10.5	72.0	-----	50.0	154.2
1949.....	472.6	.5	4.0	8.0	54.9	-----	51.0	354.2
1948—July.....	246.0	(*)	.4	.8	6.1	-----	12.2	226.4
August.....	17.7	(*)	.1	.3	2.3	-----	1.9	13.2
September.....	13.6	(*)	.2	.5	3.5	-----	2.8	6.5
October.....	13.8	(*)	.3	.5	3.8	-----	2.8	6.3
November.....	15.5	(*)	.3	.7	4.3	-----	3.1	7.0
December.....	22.1	.1	.5	.8	5.7	-----	4.3	10.8
1949—January.....	29.3	(*)	.4	.8	5.6	-----	4.5	18.0
February.....	31.9	(*)	.4	.8	5.0	-----	4.8	20.9
March.....	25.9	(*)	.4	.8	5.0	-----	4.3	15.4
April.....	18.8	(*)	.3	.6	4.4	-----	3.3	10.1
May.....	18.2	(*)	.3	.6	4.1	-----	3.4	9.8
June.....	19.8	.1	.4	.8	5.1	-----	3.6	10.0

Footnotes at end of table.

TABLE 30.—*Sales of Series E, F, and G savings bonds by denominations, fiscal years 1941-49 and monthly 1949—Continued*

Fiscal year or month	Total all denominations	\$25 *	\$100	\$500	\$1,000	\$5,000	\$10,000
Series F sales, in thousands of pieces							
1941.....	44	12	6	18	3	5	
1942.....	627	72	265	74	167	25	23
1943.....	1,032	216	335	110	284	46	42
1944.....	1,130	303	336	111	288	44	48
1945.....	955	291	270	88	226	34	44
1946.....	489	126	133	46	137	21	27
1947.....	317	43	79	31	120	19	24
1948.....	260	31	67	28	97	16	21
1949.....	239	28	54	22	74	14	48
1948—July.....	53	3	6	2	8	3	31
August.....	9	1	2	1	3	1	2
September.....	13	2	3	1	5	1	1
October.....	14	2	4	1	5	1	1
November.....	16	2	5	2	6	1	1
December.....	22	3	6	2	8	1	1
1949—January.....	21	3	5	2	8	1	2
February.....	21	2	5	2	7	1	3
March.....	20	2	5	2	7	1	2
April.....	16	2	4	2	6	1	1
May.....	16	2	4	2	5	1	1
June.....	19	3	5	2	7	1	1
Total all denominations							
		\$100	\$500	\$1,000	\$5,000	\$10,000	
Series G sales, in millions of dollars at issue price							
1941.....	394.6	4.8	11.2	82.4	71.8	224.3	
1942.....	2,032.1	50.9	113.0	578.1	406.2	883.8	
1943.....	2,759.5	81.5	188.7	805.7	526.3	1,157.3	
1944.....	2,875.6	108.8	249.6	942.3	520.7	1,051.2	
1945.....	2,658.3	88.5	221.9	844.7	467.6	1,035.6	
1946.....	2,465.4	51.6	162.6	799.7	478.6	973.0	
1947.....	2,560.8	38.7	157.0	849.4	540.2	975.4	
1948.....	1,907.4	31.8	125.4	650.1	403.5	696.5	
1949.....	2,390.0	25.7	96.1	481.5	295.2	1,491.5	
1948—July.....	1,048.1	2.8	11.5	59.3	42.1	932.4	
August.....	122.1	1.6	5.9	29.3	17.0	68.3	
September.....	94.2	1.8	6.6	32.1	17.2	36.5	
October.....	96.4	1.9	7.0	34.5	20.3	32.6	
November.....	95.3	2.0	7.5	35.9	20.7	29.2	
December.....	119.6	2.7	9.5	45.5	26.4	35.5	
1949—January.....	179.7	2.4	9.4	47.6	30.3	90.1	
February.....	181.6	2.1	8.1	43.2	26.0	102.3	
March.....	149.0	2.4	9.6	48.3	30.8	57.8	
April.....	104.0	2.0	7.0	34.5	21.8	38.7	
May.....	93.4	1.9	6.5	33.0	19.7	32.3	
June.....	106.6	2.0	7.5	38.5	22.9	35.7	
Series G sales, in thousands of pieces							
1941.....	190	48	22	82	14	22	
1942.....	1,483	509	226	578	81	88	
1943.....	2,219	815	377	806	105	116	
1944.....	2,739	1,088	499	942	104	105	
1945.....	2,371	885	444	845	94	104	
1946.....	1,833	516	325	800	96	97	
1947.....	1,756	387	314	819	108	98	
1948.....	1,370	318	251	650	81	70	
1949.....	1,139	257	192	482	59	149	
1948—July.....	212	28	23	59	8	93	
August.....	67	16	12	29	3	7	
September.....	70	18	13	32	3	4	
October.....	75	19	14	34	4	3	
November.....	78	20	15	36	4	3	
December.....	101	27	19	45	5	4	
1949—January.....	105	21	19	48	6	9	
February.....	96	21	16	43	5	10	
March.....	104	24	19	48	6	6	
April.....	76	20	14	34	4	4	
May.....	73	19	13	33	4	3	
June.....	82	20	15	38	5	4	

NOTE.—Details of amounts of sales by months beginning May 1941 will be found in 1943 annual report, p. 611, and in corresponding tables in subsequent reports.

* Less than \$50,000.

† Revised.

‡ Sale of \$10 denomination Series E bonds was authorized beginning June 1944 for sale to armed forces only.

§ Sale of \$200 denomination Series E bonds began in October 1945.

¶ Sale of \$25 denomination Series F bonds was authorized in December 1941.

TABLE 31.—*Redemptions of Series E, F, and G savings bonds by denominations, fiscal years 1941-49 and monthly 1949*

[On basis of Public Debt accounts, see p. 351]

Fiscal year or month	Total all denominations	\$10	\$25	\$50	\$100	\$200	\$500	\$1,000
Series E redemptions, in thousands of pieces								
1941.....	(*)	-----	(*)	(*)	(*)	-----	(*)	(*)
1942.....	952	-----	577	140	177	-----	30	27
1943.....	25,750	-----	22,074	2,339	1,132	-----	115	90
1944.....	78,286	-----	65,959	8,221	3,550	-----	321	235
1945.....	136,231	1,317	109,870	16,701	7,319	-----	596	428
1946.....	191,788	6,247	144,126	26,185	13,143	77	1,137	874
1947.....	123,538	4,068	88,702	17,847	10,699	189	1,104	899
1948.....	92,078	2,017	64,359	14,102	9,262	243	1,102	995
1949.....	79,789	1,373	54,904	12,645	8,467	284	1,079	1,037
1948—July.....	7,170	124	1,932	1,137	768	23	96	91
August.....	7,378	123	5,069	1,176	792	24	99	94
September.....	6,927	124	4,750	1,096	748	23	95	89
October.....	6,615	115	4,536	1,050	717	23	90	86
November.....	6,727	116	4,617	1,061	729	21	92	88
December.....	7,253	128	5,044	1,140	741	25	90	86
1949—January.....	6,164	127	4,243	969	639	22	82	81
February.....	5,383	99	3,679	856	579	20	76	73
March.....	6,780	116	4,653	1,072	722	27	96	94
April.....	6,337	102	4,383	999	662	23	87	82
May.....	6,480	101	4,471	1,033	677	21	88	86
June.....	6,575	100	4,528	1,055	692	26	89	86
Series F redemptions, in thousands of pieces								
1941.....	(*)	-----	(*)	(*)	(*)	-----	(*)	(*)
1942.....	2	-----	1	-----	1	-----	-----	-----
1943.....	19	2	7	2	6	1	1	1
1944.....	69	11	22	7	21	4	3	3
1945.....	123	27	38	13	35	6	5	5
1946.....	230	59	72	23	60	9	7	7
1947.....	272	61	81	29	75	12	11	11
1948.....	306	79	94	31	80	12	10	10
1949.....	321	86	99	31	81	12	11	11
1948—July.....	31	8	10	3	8	1	1	1
August.....	31	8	10	3	8	1	1	1
September.....	30	8	9	3	7	1	1	1
October.....	26	7	8	2	7	1	1	1
November.....	26	6	8	3	7	1	1	1
December.....	25	6	8	2	6	1	1	1
1949—January.....	29	9	8	2	7	1	1	1
February.....	25	7	8	2	6	1	1	1
March.....	25	6	8	3	6	1	1	1
April.....	22	5	7	2	6	1	1	1
May.....	25	7	7	2	6	1	1	1
June.....	27	8	8	3	6	1	1	1
Series G redemptions, in thousands of pieces								
1941.....	(*)	-----	(*)	(*)	(*)	-----	(*)	(*)
1942.....	7	-----	2	1	3	-----	-----	-----
1943.....	41	-----	15	6	15	2	2	2
1944.....	117	-----	47	19	40	6	5	5
1945.....	218	-----	90	38	73	9	7	7
1946.....	371	-----	155	65	126	15	10	10
1947.....	474	-----	188	85	167	20	14	14
1948.....	553	-----	198	102	212	24	16	16
1949.....	604	-----	213	112	235	27	17	17
1948—July.....	54	-----	18	10	21	3	2	2
August.....	53	-----	18	10	21	2	2	2
September.....	51	-----	18	10	19	2	1	1
October.....	50	-----	18	9	20	2	1	1
November.....	50	-----	17	10	20	2	2	2
December.....	52	-----	20	10	19	2	1	1
1949—January.....	52	-----	18	9	20	3	2	2
February.....	46	-----	16	9	18	2	2	2
March.....	49	-----	18	9	19	2	1	1
April.....	44	-----	15	8	18	2	1	1
May.....	52	-----	18	10	20	2	1	1
June.....	51	-----	18	9	20	2	1	1

*Less than 500 pieces.

TABLE 32.—*Sales of Series E, F, and G savings bonds by States, fiscal year 1949 and cumulative*

[In thousands of dollars, at issue price. On basis of reports received by Treasury Department, with totals adjusted to basis of daily Treasury statements]

State	Series E bonds		Series F and G bonds	
	Fiscal year 1949	May 1941-June 1949	Fiscal year 1949	May 1941-June 1949
Alabama.....	32, 528	608, 297	19, 397	177, 746
Arizona.....	13, 996	193, 205	4, 098	54, 144
Arkansas.....	24, 484	345, 790	8, 250	105, 979
California.....	266, 256	4, 256, 757	121, 222	1, 512, 969
Colorado.....	36, 597	434, 168	17, 685	197, 246
Connecticut.....	54, 139	952, 176	61, 789	464, 676
Delaware.....	8, 754	127, 038	6, 169	83, 438
District of Columbia.....	44, 971	670, 367	23, 472	207, 688
Florida.....	44, 561	656, 422	24, 770	261, 318
Georgia.....	40, 934	659, 039	17, 012	216, 767
Idaho.....	10, 350	172, 194	3, 870	54, 089
Illinois.....	388, 768	4, 139, 183	229, 922	1, 923, 154
Indiana.....	112, 416	1, 444, 631	69, 483	574, 665
Iowa.....	157, 894	1, 405, 393	85, 062	660, 310
Kansas.....	84, 764	828, 405	36, 678	299, 290
Kentucky.....	45, 543	587, 644	30, 528	303, 664
Louisiana.....	36, 248	596, 999	14, 605	222, 375
Maine.....	14, 488	234, 617	14, 578	140, 406
Maryland.....	43, 129	691, 633	38, 798	353, 567
Massachusetts.....	111, 288	1, 756, 631	151, 620	1, 180, 325
Michigan.....	195, 732	2, 823, 877	67, 628	686, 580
Minnesota.....	96, 076	1, 172, 216	48, 890	492, 127
Mississippi.....	22, 480	365, 366	9, 959	120, 662
Missouri.....	127, 058	1, 405, 495	63, 495	654, 156
Montana.....	25, 017	274, 324	9, 135	83, 281
Nebraska.....	78, 884	697, 566	40, 095	295, 603
Nevada.....	3, 884	63, 847	1, 738	23, 197
New Hampshire.....	7, 864	147, 703	8, 503	94, 755
New Jersey.....	150, 453	1, 974, 995	67, 937	739, 411
New Mexico.....	9, 344	126, 392	4, 350	45, 352
New York.....	510, 103	6, 584, 775	470, 703	3, 908, 173
North Carolina.....	43, 582	705, 122	18, 525	263, 051
North Dakota.....	28, 401	287, 813	10, 389	99, 191
Ohio.....	252, 603	3, 268, 774	137, 676	1, 319, 151
Oklahoma.....	56, 177	656, 492	21, 593	181, 906
Oregon.....	36, 676	655, 895	16, 230	190, 069
Pennsylvania.....	330, 078	4, 121, 434	155, 437	1, 868, 068
Rhode Island.....	18, 484	294, 657	15, 063	177, 234
South Carolina.....	21, 687	346, 439	9, 019	124, 766
South Dakota.....	37, 713	304, 868	13, 895	97, 970
Tennessee.....	39, 785	647, 714	23, 120	236, 161
Texas.....	135, 967	2, 104, 189	53, 741	634, 383
Utah.....	13, 390	231, 284	6, 040	50, 566
Vermont.....	4, 849	85, 809	4, 625	52, 048
Virginia.....	58, 855	929, 472	22, 677	307, 915
Washington.....	61, 314	1, 049, 804	33, 844	328, 676
West Virginia.....	46, 769	483, 533	14, 915	130, 704
Wisconsin.....	99, 535	1, 223, 330	71, 850	630, 085
Wyoming.....	9, 733	112, 773	3, 956	40, 588
Alaska.....		1 30, 075		1 5, 349
Canal Zone.....	3, 466	35, 219	246	7, 092
Hawaii.....	6, 617	272, 877	3, 169	65, 242
Puerto Rico.....	1, 036	39, 131	108	13, 864
Virgin Islands.....	28	1, 882	31	843
Other possessions.....	1, 235	3, 216	46	951
Sales to commercial banks ²			426, 295	1, 321, 775
Adjustment to daily Treasury statement.....	+171, 482	+415, 240	+25, 595	+40, 447
Total.....	4, 278, 470	54, 704, 490	2, 862, 521	24, 325, 218

NOTE.—Sales from May 1941 through June 1946, by months, calendar years, and fiscal years, and cumulative, will be found in the 1943 annual report, pp. 614 and 618, and in corresponding tables in the annual reports for 1944-46. Sales for subsequent fiscal years and cumulative will be found in the annual reports for 1947, p. 411, and for 1948, p. 528. Redemptions by States for the months of the fiscal year 1946, for the calendar year 1945 and fiscal years 1946-48, and cumulative from October 1944 (the earliest available) will be found in the following annual reports: 1946, p. 532; 1947, p. 411; and 1948, p. 528. Sales and redemptions by months from July 1946 have been published at intervals in the *Treasury Bulletin*.

¹ Sales through March 1947.

² State figures exclude sales of Series F and G bonds to commercial banks. Commercial banks were permitted to purchase these bonds under certain conditions (see table 29, footnote 1).

TABLE 33.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations*

[On basis of Public Debt accounts, see p. 351]

I. SERIES A THROUGH E SAVINGS BONDS

Series and calendar year in which issued	Percent of Series A through E savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
\$10 denomination ¹									
E-1944.....	20	49	63	70	75	-----	-----	-----	-----
E-1945.....	45	63	71	76	-----	-----	-----	-----	-----
E-1946.....	52	68	75	-----	-----	-----	-----	-----	-----
E-1947.....	51	71	-----	-----	-----	-----	-----	-----	-----
E-1948.....	60	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series E issued from June 1, 1944.....	46	63	70	73	75	-----	-----	-----	-----
\$25 denomination									
A-1935.....	10	18	26	31	35	38	40	42	43
B-1936.....	12	23	30	36	40	42	44	45	47
C-1937.....	12	22	29	34	37	39	40	42	44
C-1938.....	10	19	26	30	32	33	35	38	41
D-1939.....	11	20	24	27	29	31	35	38	41
D-1940.....	11	16	19	22	25	29	33	36	40
D-1941 and E-1941.....	4	9	14	19	26	32	37	42	-----
E-1942.....	16	26	34	44	51	57	61	-----	-----
E-1943.....	26	38	50	58	63	67	-----	-----	-----
E-1944.....	33	50	59	65	69	-----	-----	-----	-----
E-1945.....	46	58	65	69	-----	-----	-----	-----	-----
E-1946.....	46	57	63	-----	-----	-----	-----	-----	-----
E-1947.....	46	57	-----	-----	-----	-----	-----	-----	-----
E-1948.....	47	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series A-E issued through Dec. 31, 1941.....	10	18	24	28	32	35	38	40	43
Average, Series E issued from Jan. 1, 1942.....	37	48	54	59	61	62	61	-----	-----
\$50 denomination									
A-1935.....	8	16	23	28	32	36	38	39	40
B-1936.....	10	20	27	33	37	39	41	42	44
C-1937.....	10	19	26	31	34	36	37	39	41
C-1938.....	8	16	23	26	28	30	31	34	36
D-1939.....	7	15	19	21	24	26	29	31	34
D-1940.....	7	12	15	17	20	23	26	29	32
D-1941 and E-1941.....	3	7	11	15	21	26	31	35	-----
E-1942.....	8	16	22	31	38	44	48	-----	-----
E-1943.....	16	26	37	46	52	56	-----	-----	-----
E-1944.....	23	39	49	55	60	-----	-----	-----	-----
E-1945.....	36	49	56	61	-----	-----	-----	-----	-----
E-1946.....	35	46	53	-----	-----	-----	-----	-----	-----
E-1947.....	34	46	-----	-----	-----	-----	-----	-----	-----
E-1948.....	35	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series A-E issued through Dec. 31, 1941.....	8	15	20	24	28	31	33	36	38
Average, Series E issued from Jan. 1, 1942.....	27	37	43	48	50	50	48	-----	-----

Footnotes at end of table.

TABLE 33.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations—Continued*

I. SERIES A THROUGH E SAVINGS BONDS—Continued

Series and calendar year in which issued	Percent of Series A through E savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
\$100 denomination									
A-1935.....	7	14	21	26	30	33	35	37	38
B-1936.....	9	18	24	29	34	36	38	39	40
C-1937.....	9	17	23	28	31	33	35	36	38
C-1938.....	8	15	21	25	27	28	30	32	34
D-1939.....	7	14	18	21	23	25	28	30	33
D-1940.....	7	12	14	17	19	22	26	28	31
D-1941 and E-1941.....	3	7	10	14	19	21	28	31	-----
E-1942.....	5	10	15	22	29	34	38	-----	-----
E-1943.....	8	15	24	32	38	42	-----	-----	-----
E-1944.....	11	23	32	39	44	-----	-----	-----	-----
E-1945.....	20	31	38	43	-----	-----	-----	-----	-----
E-1946.....	20	30	37	-----	-----	-----	-----	-----	-----
E-1947.....	20	30	-----	-----	-----	-----	-----	-----	-----
E-1948.....	20	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series A-E issued through Dec. 31, 1941.....	7	14	19	23	26	29	31	33	36
Average, Series E issued from Jan. 1, 1942.....	15	23	29	34	37	38	38	-----	-----
\$200 denomination ²									
E-1945.....	6	15	23	28	-----	-----	-----	-----	-----
E-1946.....	12	21	28	-----	-----	-----	-----	-----	-----
E-1947.....	12	21	-----	-----	-----	-----	-----	-----	-----
E-1948.....	12	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series E issued from Oct. 1, 1945.....	11	19	25	28	-----	-----	-----	-----	-----
\$500 denomination									
A-1935.....	5	11	17	21	25	28	30	32	33
B-1936.....	7	14	19	24	28	30	32	33	34
C-1937.....	8	14	19	24	27	29	30	32	34
C-1938.....	7	13	18	22	24	26	27	29	31
D-1939.....	6	12	16	19	21	23	25	28	30
D-1940.....	6	10	13	16	18	21	24	27	29
D-1941 and E-1941.....	3	7	10	13	18	21	25	28	-----
E-1942.....	4	8	13	19	24	29	33	-----	-----
E-1943.....	5	11	19	26	31	36	-----	-----	-----
E-1944.....	7	17	24	30	35	-----	-----	-----	-----
E-1945.....	11	20	27	32	-----	-----	-----	-----	-----
E-1946.....	11	21	28	-----	-----	-----	-----	-----	-----
E-1947.....	12	21	-----	-----	-----	-----	-----	-----	-----
E-1948.....	12	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series A-E issued through Dec. 31, 1941.....	6	12	16	20	23	25	28	30	32
Average, Series E issued from Jan. 1, 1942.....	9	16	22	27	30	32	33	-----	-----
\$1,000 denomination									
A-1935.....	4	9	14	17	20	23	25	26	27
B-1936.....	5	10	14	18	20	22	24	25	26
C-1937.....	6	10	14	17	19	21	22	24	25
C-1938.....	4	8	12	15	16	18	19	21	22
D-1939.....	4	7	11	13	14	16	18	20	22
D-1940.....	3	7	10	12	14	16	18	20	22
D-1941 and E-1941.....	3	6	9	11	15	18	21	24	-----
E-1942.....	4	8	12	17	22	26	30	-----	-----
E-1943.....	5	11	18	24	29	34	-----	-----	-----
E-1944.....	7	16	23	29	34	-----	-----	-----	-----
E-1945.....	11	19	26	31	-----	-----	-----	-----	-----
E-1946.....	10	19	26	-----	-----	-----	-----	-----	-----
E-1947.....	11	20	-----	-----	-----	-----	-----	-----	-----
E-1948.....	10	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series A-E issued through Dec. 31, 1941.....	4	8	12	15	17	19	21	23	24
Average, Series E issued from Jan. 1, 1942.....	8	16	21	26	28	30	30	-----	-----

Footnotes at end of table.

TABLE 33.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations—Continued*

II. SERIES F AND G SAVINGS BONDS

Series and calendar year in which issued	Percent of Series F and G savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
\$25 denomination ¹									
F-1941.....	0	5	11	19	27	39	49	61	-----
F-1942.....	1	4	6	11	15	20	25	-----	-----
F-1943.....	3	7	12	18	24	32	-----	-----	-----
F-1944.....	3	10	16	25	33	-----	-----	-----	-----
F-1945.....	6	14	22	31	-----	-----	-----	-----	-----
F-1946.....	5	14	-----	-----	-----	-----	-----	-----	-----
F-1947.....	5	16	-----	-----	-----	-----	-----	-----	-----
F-1948.....	6	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F issued from May 1, 1941.....	4	10	15	21	25	30	37	61	-----
\$100 denomination									
F-1941 and G-1941.....	1	4	6	9	13	16	20	24	-----
F-1942 and G-1942.....	1	4	8	12	16	20	24	-----	-----
F-1943 and G-1943.....	2	6	11	16	21	26	-----	-----	-----
F-1944 and G-1944.....	2	8	13	19	24	-----	-----	-----	-----
F-1945 and G-1945.....	4	10	15	21	-----	-----	-----	-----	-----
F-1946 and G-1946.....	4	10	15	-----	-----	-----	-----	-----	-----
F-1947 and G-1947.....	4	11	-----	-----	-----	-----	-----	-----	-----
F-1948 and G-1948.....	4	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F and G issued from May 1, 1941.....	3	7	11	15	18	21	22	24	-----
\$500 denomination									
F-1941 and G-1941.....	1	3	6	9	12	15	19	22	-----
F-1942 and G-1942.....	1	4	7	11	15	19	23	-----	-----
F-1943 and G-1943.....	2	6	10	15	18	21	-----	-----	-----
F-1944 and G-1944.....	2	7	12	17	22	-----	-----	-----	-----
F-1945 and G-1945.....	3	9	11	19	-----	-----	-----	-----	-----
F-1946 and G-1946.....	3	9	15	-----	-----	-----	-----	-----	-----
F-1947 and G-1947.....	4	10	-----	-----	-----	-----	-----	-----	-----
F-1948 and G-1948.....	4	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F and G issued from May 1, 1941.....	3	7	11	14	17	19	21	22	-----
\$1,000 denomination									
F-1941 and G-1941.....	1	3	6	8	11	14	17	20	-----
F-1942 and G-1942.....	1	4	7	11	15	18	22	-----	-----
F-1943 and G-1943.....	2	6	10	15	19	23	-----	-----	-----
F-1944 and G-1944.....	2	7	12	17	21	-----	-----	-----	-----
F-1945 and G-1945.....	3	8	13	18	-----	-----	-----	-----	-----
F-1946 and G-1946.....	3	8	13	-----	-----	-----	-----	-----	-----
F-1947 and G-1947.....	4	10	-----	-----	-----	-----	-----	-----	-----
F-1948 and G-1948.....	4	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F and G issued from May 1, 1941.....	3	7	10	14	16	18	20	20	-----

Footnotes at end of table.

TABLE 33.—*Percent of savings bonds sold in each year redeemed through each yearly period thereafter, by denominations—Continued*

II. SERIES F AND G SAVINGS BONDS—Continued

Series and calendar year in which issued	Percent of Series F and G savings bonds redeemed by end of—								
	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years
\$5,000 denomination									
F-1941 and G-1941.....	1	3	5	8	10	13	16	19	-----
F-1942 and G-1942.....	1	5	8	12	16	19	23	-----	-----
F-1943 and G-1943.....	2	6	11	16	21	25	-----	-----	-----
F-1944 and G-1944.....	2	7	13	17	22	-----	-----	-----	-----
F-1945 and G-1945.....	3	9	13	18	-----	-----	-----	-----	-----
F-1946 and G-1946.....	3	8	13	-----	-----	-----	-----	-----	-----
F-1947 and G-1947.....	4	9	-----	-----	-----	-----	-----	-----	-----
F-1948 and G-1948.....	4	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F and G issued from May 1, 1941.....	3	7	11	14	17	19	20	19	-----
\$10,000 denomination									
F-1941 and G-1941.....	1	3	5	7	9	11	14	16	-----
F-1942 and G-1942.....	1	4	7	10	14	17	19	-----	-----
F-1943 and G-1943.....	2	5	9	13	17	20	-----	-----	-----
F-1944 and G-1944.....	2	4	8	10	13	-----	-----	-----	-----
F-1945 and G-1945.....	2	5	8	10	-----	-----	-----	-----	-----
F-1946 and G-1946.....	2	6	9	-----	-----	-----	-----	-----	-----
F-1947 and G-1947.....	2	6	-----	-----	-----	-----	-----	-----	-----
F-1948 and G-1948.....	1	-----	-----	-----	-----	-----	-----	-----	-----
Average, Series F and G issued from May 1, 1941.....	2	5	7	10	13	16	17	16	-----

NOTE.—The percentages shown in this table are the proportions of the value of the bonds sold in any calendar year which are redeemed before July 1 of the next calendar year and before July 1 of succeeding calendar years. Both sales and redemptions are taken at maturity value. The average percentages shown above are simple averages of the percentages for the applicable annual series.

¹ June 1, 1944, is the earliest issue date for bonds of the \$10 denomination.

² Oct. 1, 1945, is the earliest issue date for bonds of the \$200 denomination.

³ Series G savings bonds are not available in denominations of \$25.

TABLE 34.—*Sales and redemptions of Treasury notes, tax and savings series, August 1941–June 1949*¹

[Par values, in millions of dollars. On basis of daily Treasury statements, see p. 351]

Series and period	Sales	Redemptions			Amount out-standing	
		Total	For cash	For taxes	Ma-tured	Inter-est-bearing
Cumulative Aug. 1, 1941–June 30, 1949:						
Series A, issued Aug. 1, 1941–June 22, 1943.....	2 406.9	404.8	2 66.4	338.4	2.1	-----
Series B, issued Aug. 1, 1941–Sept. 12, 1942.....	4,943.8	4,943.6	2 182.4	4,761.3	.2	-----
Series C, issued Sept. 14, 1942–Aug. 31, 1948.....	2 32,437.8	30,787.6	9,729.5	21,058.1	29.3	1,620.9
Series D, issued Sept. 1, 1948–June 30, 1949.....	3,798.6	559.3	144.1	415.2	-----	3,239.3
Total through June 30, 1949.....	41,587.1	36,695.3	10,122.4	26,572.9	31.6	4,860.2
Series C and D:						
By fiscal years:						
1943.....	7,546.7	1,082.7	35.6	1,047.2	-----	6,464.0
1944.....	8,953.7	5,969.9	462.0	5,507.9	-----	9,447.7
1945.....	7,015.8	6,396.1	542.7	5,853.3	-----	10,067.5
1946.....	3,525.5	6,872.5	2,601.6	4,270.9	9.0	6,711.5
1947.....	3,056.6	4,194.0	2,182.4	2,011.6	23.0	5,560.1
1948.....	2,143.8	3,301.1	1,971.0	1,330.1	32.1	4,393.7
1949.....	3,994.2	3,530.5	2,078.3	1,452.2	29.3	4,860.2
By months:						
1948—July.....	140.1	150.7	83.4	67.3	29.6	4,385.6
August.....	52.9	99.7	69.2	30.4	28.1	4,340.3
September.....	716.6	654.8	411.6	243.2	26.4	4,403.8
October.....	409.3	297.2	227.9	69.3	25.2	4,517.1
November.....	344.4	310.7	280.7	30.0	23.7	4,552.3
December.....	539.9	480.1	239.2	240.9	63.5	4,572.3
1949—January.....	222.8	188.1	142.5	45.7	52.9	4,617.5
February.....	164.2	146.3	117.0	29.3	47.3	4,641.0
March.....	202.3	469.2	135.2	334.0	38.4	4,383.0
April.....	262.3	161.7	126.5	35.2	34.1	4,487.8
May.....	325.4	123.2	97.9	25.3	31.9	4,692.2
June.....	614.1	448.7	147.2	301.6	29.3	4,860.2

¹ All series originally issued as "Treasury notes—tax series." However, designation of Series C was changed to "Treasury savings notes, Series C" on June 23, 1943. For description of all series, see 1943 annual report, p. 533, and p. 411 of this report. Sales and redemptions from inception, August 1, 1941, will be found in 1943 annual report, pp. 638 and 640, and in corresponding tables in subsequent reports.

² Includes exchanges in connection with the offerings in September 1942 of Series A–1945 and Series C.

Interest on public debt and guaranteed obligations

TABLE 35.—*Amount of interest-bearing public debt outstanding, the computed annual interest charge, and the computed rate of interest, June 30, 1916-49, and at the end of each month during 1949*¹

[On basis of Public Debt accounts through June 1937, and subsequently on basis of daily Treasury statements, see p. 351]

End of fiscal year or month	Interest-bearing debt ²	Computed annual interest charge	Computed rate of interest
June 30—			<i>Percent</i>
1916.....	\$971,562,590	\$23,084,635	2.376
1917.....	2,712,549,476	83,625,482	3.120
1918.....	11,985,882,436	468,618,544	3.910
1919.....	25,234,496,273	1,054,204,509	4.178
1920.....	24,061,095,361	1,016,592,219	4.225
1921.....	23,737,352,080	1,029,917,903	4.339
1922.....	22,711,035,587	962,896,535	4.240
1923.....	22,007,590,754	927,331,341	4.214
1924.....	20,981,586,429	876,960,673	4.180
1925.....	20,210,906,251	829,680,044	4.105
1926.....	19,383,770,860	793,423,952	4.093
1927.....	18,250,943,965	722,675,553	3.960
1928.....	17,317,695,096	671,353,112	3.877
1929.....	16,638,941,379	656,654,311	3.946
1930.....	15,921,892,350	606,031,831	3.807
1931.....	16,519,588,640	588,987,438	3.566
1932.....	19,161,273,540	671,604,676	3.505
1933.....	22,157,643,120	742,175,955	3.350
1934.....	26,480,487,920	842,301,133	3.181
1935.....	27,645,229,826	750,677,802	2.716
1936.....	32,755,631,770	838,002,053	2.559
1937.....	35,802,586,915	924,347,089	2.582
1938.....	36,575,925,880	947,084,058	2.589
1939.....	39,885,969,732	1,036,937,397	2.600
1940.....	42,376,495,928	1,094,619,914	2.583
1941.....	48,387,399,539	1,218,238,845	2.518
1942.....	71,968,418,098	1,644,476,360	2.285
1943.....	135,380,305,795	2,678,779,036	1.979
1944.....	199,543,355,301	3,849,254,656	1.929
1945.....	256,356,615,818	4,963,730,414	1.936
1946.....	268,110,872,218	5,350,772,231	1.996
1947.....	255,113,412,039	5,374,409,074	2.107
1948.....	250,063,348,379	5,455,475,791	2.182
1949.....	250,761,636,723	5,605,929,714	2.236
End of month—			
1948—July.....	251,168,030,946	5,516,533,002	2.197
August.....	250,874,579,256	5,516,170,449	2.199
September.....	250,517,648,905	5,512,439,046	2.201
October.....	250,299,668,831	5,534,688,211	2.212
November.....	250,391,201,340	5,543,372,357	2.214
December.....	250,579,231,302	5,550,827,205	2.216
1949—January.....	250,434,728,833	5,564,100,828	2.222
February.....	250,603,319,315	5,575,012,539	2.225
March.....	249,573,238,019	5,572,084,137	2.233
April.....	249,509,220,056	5,574,535,443	2.235
May.....	249,889,703,960	5,581,690,462	2.234
June.....	250,761,636,723	5,605,929,714	2.236

¹ For monthly data back to June 30, 1916, see annual reports for 1929, p. 509; for 1936, p. 442; and corresponding tables in subsequent reports.² Interest-bearing debt includes discount on Treasury bills from June 30, 1930, the amount being deducted from interest-bearing debt before calculation of average interest rate. Savings bonds of Series A-F are included in interest-bearing debt at their current redemption value from March 1935. Treasury tax and savings notes, beginning August 1941, are included at face amount. Face value of savings bonds and tax and savings notes of any yearly series maturing from month to month which are not currently presented for retirement is shown as interest-bearing debt until all bonds or notes of yearly series have matured. Thereafter, total amount outstanding is shown as matured debt upon which interest has ceased. In computing average rate of interest, the rates used for both savings bonds and tax and savings notes are based upon annual yield on such obligations if held to maturity.

TABLE 36.—*Interest on the public debt, payable, paid, and outstanding unpaid, by security classes, fiscal year 1949*

[In millions of dollars. On basis of Public Debt accounts, see p. 351]

Class of security	Outstanding unpaid June 30, 1948	Due and payable during 1949	Payments during 1949	Outstanding unpaid June 30, 1949
Public issues:				
Marketable obligations:				
Treasury bills ¹		139.2	139.2	
Certificates of indebtedness.....	1.0	229.6	229.6	1.1
Treasury notes.....	.7	140.9	140.8	.7
Treasury bonds.....	113.1	2,585.4	2,592.8	105.7
Postal savings bonds.....	.2	2.8	2.8	.2
Liberty and Victory loans.....	5.1	(*)	.1	5.0
Prewar loans.....	.3	1.5	1.5	.3
Total marketable obligations.....	120.5	3,099.4	3,107.0	113.0
Nonmarketable obligations:				
Treasury tax and savings notes.....	55.9	49.0	57.1	47.7
United States savings bonds:				
Series B to F ¹		926.7	926.7	
Series G.....	12.1	392.5	400.3	4.4
Depository bonds.....	(*)	6.7	6.7	(*)
Armed forces leave bonds.....	34.7	12.2	12.6	34.4
Treasury bonds, investment series.....	(*)	23.8	23.8	(*)
Adjusted service bonds of 1945.....	3.1	(*)	.7	2.4
Treasury war savings securities ¹	3.1		(*)	3.1
Total nonmarketable obligations.....	108.9	1,411.0	1,427.8	92.0
Total public issues.....	229.4	4,510.4	4,534.8	205.0
Special issues:				
Treasury notes.....	19.1	438.1	437.6	19.6
Certificates of indebtedness.....		379.9	379.9	
Total special issues.....	19.1	818.0	817.5	19.6
Total interest on public debt.....	248.5	5,328.3	5,352.3	224.6

*Less than \$50,000.

¹ Amounts represent discount treated as interest.

TABLE 37.—Interest paid on the public debt, by issues, fiscal years 1947-49 ¹

[On basis of Public Debt accounts, see p. 351]

Issues	Rate of interest	1947	1948	1949
Debt unmatured as of June 30 in the respective years:				
Public issues:				
Marketable:				
Treasury bills ²	Percent			
Certificates of indebtedness	1½	\$14,979,827.02	\$34,684,829.18	\$33,711,797.44
Certificates of indebtedness	7½	18,038,729.76	³ 1,962,757.65	(⁴)
Certificates of indebtedness	1¼		(⁴)	(⁴)
Treasury notes	Various	117,820,044.94	55,866,180.01	³ 437,572.93
Treasury bonds:				26,586,047.40
1947	2	14,126,626.00	(⁴)	(⁴)
1917-52	4¼	32,224,491.24	(⁴)	(⁴)
1948	2½	11,398,884.92	11,143,661.21	(⁴)
1948	1¾	53,730,901.23	(⁴)	(⁴)
1948-50 (dated Dec. 8, 1939)	2	11,637,529.55	11,311,739.12	(⁴)
1948-50 (dated Mar. 15, 1941)	2	22,284,788.00	(⁴)	(⁴)
1948-51	2¾	33,618,680.86	(⁴)	(⁴)
1949-51 (dated Jan. 15, 1942)	2	20,278,971.03	20,268,435.13	(⁴)
1949-51 (dated May 15, 1942)	2	25,834,093.70	25,875,399.57	25,815,506.39
1949-51 (dated July 15, 1942)	2	41,742,983.18	42,060,028.22	42,212,698.75
1949-53	3½	15,524,675.97	15,361,629.18	15,353,390.23
1950-52 (dated Oct. 19, 1942)	2½	44,925,161.81	44,587,831.95	44,827,602.69
1950-52 (dated Apr. 15, 1943)	2	39,294,646.45	39,215,115.30	39,206,431.22
1950	2½	29,613,188.97	29,695,728.94	29,624,457.58
1950-52 (dated Apr. 15, 1943)	2	98,707,672.97	98,736,325.46	98,811,932.93
1950	1¼	39,420,761.02	39,488,019.35	39,642,711.93
1951-54	2¾	44,885,326.58	44,644,901.90	44,857,295.38
1951-55	3	22,674,611.25	22,697,378.25	22,707,801.75
1951-53	2	159,573,020.00	159,685,940.00	159,812,936.50
1951-53	2¼	25,484,811.02	25,106,005.62	25,257,455.95
1951-55	2	10,291,307.00	10,160,858.00	10,291,814.00
1952-54	2½	25,454,913.05	25,697,470.24	25,562,697.26
1952-55	2¾	33,882,597.18	33,768,044.40	33,939,869.91
1952-54 (dated June 26, 1944)	2	116,731,937.47	116,822,705.56	117,058,010.04
1952-54 (dated Dec. 1, 1944)	2	173,363,650.19	173,711,238.97	173,815,525.01
1953-55	2	14,622,428.77	14,436,006.64	14,560,321.00
1954-56	2¼	15,455,047.07	15,176,798.60	15,481,443.52
1955-60	2½	74,870,125.72	75,153,976.47	75,168,416.55
1956-58	2½	36,215,386.04	36,204,676.59	36,203,634.97
1956-59	2¾	26,958,934.33	27,036,478.62	26,994,927.90
1956-59	2¼	85,710,217.15	86,002,209.88	86,059,513.73
1958-63	2¾	25,276,465.74	25,370,335.21	25,250,876.13
1959-62 (dated June 1, 1945)	2¼	118,323,863.13	119,875,439.05	119,333,735.22
1959-62 (dated Nov. 15, 1945)	2¼	78,314,870.27	79,279,812.26	78,721,899.29
1960-65	2¾	41,134,889.21	40,917,639.20	40,914,045.94
1962-67	2½	53,122,015.02	52,885,628.75	52,976,956.25
1963-68	2½	70,900,714.42	70,894,390.20	70,954,892.49
1964-69 (dated Apr. 15, 1943)	2½	94,134,987.08	94,499,091.74	94,405,367.42
1964-69 (dated Sept. 15, 1943)	2½	96,388,819.90	96,256,120.78	96,293,624.26
1965-70	2½	129,255,591.76	129,713,231.17	130,062,401.98
1966-71	2½	86,491,495.80	86,707,339.01	87,123,895.94
1967-72 (dated June 1, 1945)	2½	198,284,992.75	200,046,947.43	199,298,811.19
1967-72 (dated Oct. 20, 1941)	2½	67,872,192.42	67,878,814.25	67,880,531.43
1967-72 (dated Nov. 15, 1945)	2½	294,758,915.40	292,188,058.71	292,639,242.80
Panama Canal loan of 1961	3	1,478,469.00	1,487,512.50	1,508,252.25
Postal savings bonds	2½	2,902,741.75	2,881,441.00	2,840,395.50
Nonmarketable:				
Treasury savings notes	Various	21,298,060.47	14,030,417.09	18,585,813.59
United States savings bonds:				
Series C-1937	2.9	7,273,149.50	(⁴)	(⁴)
Series C-1938	2.9	21,592,974.25	9,626,829.25	(⁴)
Series D-1939	2.9	31,788,679.00	35,150,561.25	16,072,636.50
Series D-1940	2.9	22,623,008.75	40,351,030.50	42,736,122.25
Series D-1941	2.9	10,266,169.75	9,975,892.50	19,328,905.50
Series E-1941	2.9	28,052,912.49	42,380,813.50	50,640,184.75
Series E-1942	2.9	111,282,248.48	103,179,576.68	165,245,272.98
Series E-1943	2.9	171,849,884.99	155,269,854.48	141,117,743.13
Series E-1944	2.9	128,246,609.61	183,084,253.61	164,662,641.82
Series E-1945	2.9	85,207,546.33	96,208,720.99	135,232,645.03
Series E-1946	2.9	11,670,462.43	41,128,940.79	44,951,395.85
Series E-1947	2.9		11,861,191.70	39,865,828.42
Series E-1948	2.9			11,683,814.19
Series F-1941	2.53	6,165,263.29	6,499,445.89	6,172,315.82
Series F-1942	2.53	14,326,081.98	16,094,102.34	16,302,511.50

Footnotes at end of table.

TABLE 37.—Interest paid on the public debt, by issues, fiscal years 1947-49 —Con.

Issues	Rate of interest	1947	1948	1949
Debt unmatured as of June 30 in the respective years—Continued				
Public issues—Continued				
Nonmarketable—Continued				
United States savings bonds—Continued	<i>Percent</i>			
Series F-1943.....	2.53	\$11,917,195.88	\$15,190,391.96	\$16,704,720.49
Series F-1944.....	2.53	9,564,585.70	13,046,515.57	16,514,431.55
Series F-1945.....	2.53	4,733,085.92	7,305,541.85	9,939,184.08
Series F-1946.....	2.53	464,302.35	2,532,438.25	3,887,420.49
Series F-1947.....	2.53		541,895.65	2,647,735.00
Series F-1948.....	2.53			434,576.80
Series G-1941 through 1949.....	2.5	309,443,055.81	345,429,025.42	400,269,617.62
Depository bonds.....	2	7,440,813.95	6,387,276.56	6,724,298.98
Armed forces leave bonds.....	2.5	1,542,572.03	66,047,199.74	11,697,459.82
Treasury bonds, Investment Series A-1965.....	2½		11,968,967.45	23,803,731.65
Special issues:				
Certificates of indebtedness:				
Adjusted service certificate fund.....	4	3,923.29	1,672.13	2,147.95
Treasury notes:				
Alaska Railroad retirement fund.....	4	81,176.22	99,933.66	119,270.91
Canal Zone Postal Savings System.....	2	35,000.00	32,500.00	52,500.00
Canal Zone retirement fund.....	4	422,151.01	456,431.37	491,857.63
Canal Zone retirement fund.....	3	3,185.75	5,241.64	5,894.45
Civil service retirement fund.....	4	80,348,778.84	87,509,503.57	103,519,618.96
Civil service retirement fund.....	3	127,619.01	180,832.80	219,633.33
Farm tenant mortgage insurance fund.....	2			25,714.29
Federal Deposit Insurance Corporation.....	2	3,963,876.20	9,099,508.24	12,138,787.93
Federal home loan banks.....	1½		32,431.32	549,523.54
Federal home loan banks.....	2			228,230.86
Federal old-age and survivors insurance trust fund.....	1½	20,793,750.00	(4)	(4)
Federal Savings and Loan Insurance Corporation.....	2	\$66,619.85	1,270,070.04	1,436,659.37
Foreign service retirement fund.....	4	322,684.82	400,104.59	496,452.82
Foreign service retirement fund.....	3	1,830.49	3,535.33	6,389.09
Mutual mortgage insurance fund.....	2	63,233.69	38,257.29	(4)
National service life insurance fund.....	3	161,468,630.16	174,590,615.54	153,259,645.90
Postal Savings System.....	2	14,374,263.13	31,175,148.47	37,699,889.03
Railroad retirement account.....	3	24,131,178.11	36,922,213.08	47,424,164.41
War housing insurance fund.....	2	92,468.77	(4)	(4)
Debt matured as of June 30 in the respective years:				
Old debt matured, issued prior to Apr. 1, 1917.....	Various	36.58	1,166.35	846.54
Consols of 1930.....	2	25.00		
Conversion bonds of 1946-47.....	3	297,878.25		
First Liberty loan bonds.....	3½	8,751.00	11,793.98	39,695.16
First Liberty loan bonds (converted).....	4	984.51	1,389.99	1,349.03
First Liberty loan bonds (converted).....	4¼	5,958.52	7,608.05	5,814.67
First Liberty loan bonds (second converted).....	4¼	2.13		2.12
Second Liberty loan bonds.....	4	2,478.25	2,226.75	2,458.00
Second Liberty loan bonds (converted).....	4¼	4,145.90	3,012.67	6,699.59
Third Liberty loan bonds.....	4¼	8,080.51	6,221.91	7,285.01
Fourth Liberty loan bonds.....	4¼	52,304.58	42,525.33	72,130.83
Victory notes.....	3¾ and 4¼	1,425.63	1,296.95	1,560.97
War savings certificates.....		31,450.00	20,560.00	27,815.00

Footnotes at end of table.

TABLE 37.—Interest paid on the public debt, by issues, fiscal years 1947-49 ¹—Con.

Issues	Rate of interest	1947	1948	1949
Debt matured as of June 30 in the respective years—Continued				
Treasury bonds:	Percent			
1940-43.....	3¾	\$6,458.04	\$8,925.17	\$10,472.64
1941.....	3¼	1,626.40	1,687.37	2,743.80
1941-43.....	3¾	7,019.25	3,738.71	4,471.58
1943-45.....	3¼			
	and 4¼	84,984.74	48,669.55	22,747.12
1943-47.....	3¾	22,547.61	86,991.52	12,627.55
1944-54.....	4	95,547.90	210,734.00	46,222.00
1944-46.....	3¼	162,958.94	82,458.13	67,258.62
1945.....	2½	18,118.76	6,090.00	1,046.25
1945-47.....	2¾	156,694.75	103,578.16	41,255.73
1946-48.....	3	800,913.75	55,431.75	26,297.25
1946-49.....	3½	1,858,261.72	144,123.33	101,148.58
1946-56.....	3¾	190,513.69	46,863.37	21,668.22
1947.....	2		7,192,004.50	7,400.50
1947-52.....	4¼		17,264,119.50	247,500.98
1948.....	1¾		53,871,713.82	983,906.69
1948-50 (dated Dec. 8, 1939).....	2	(⁶)	(⁶)	6,002,090.27
1948-50 (dated Mar. 15, 1941).....	2		22,328,112.50	41,045.00
1948-51.....	2¾		33,671,106.56	93,361.11
1948.....	2½	(⁶)	(⁶)	5,665,800.88
1949-51 (dated Jan. 15, 1942).....	2	(⁶)	(⁶)	20,325,858.34
Adjusted service bonds of 1945.....	3	2,257,274.74	1,094,850.00	672,538.43
Treasury notes, public issues.....	Various	72,507,815.17	31,559,819.77	114,246,836.26
Certificates of indebtedness, public issues.....	Various	228,927,635.60	203,591,814.52	230,027,826.72
Treasury bills ²		48,464,158.98	97,451,482.77	105,492,402.26
Treasury savings certificates.....		100.00		
Treasury tax and savings notes.....		59,462,680.32	48,577,373.13	38,552,419.32
United States savings bonds:				
Series A-1935.....	½ 2.9	³ 50		
Series B-1936.....	½ 2.9	3,610,820.25	29.00	6.00
Series C-1937.....	½ 2.9	10,292,451.00	3,543,395.50	47.50
Series C-1938.....	½ 2.9		11,394,587.25	4,665,503.00
Series D-1939.....	½ 2.9	(⁶)	(⁶)	17,845,652.50
Armed forces leave bonds:				
Series 1943.....	2½		463,189.08	494,995.93
Series 1944.....	2½			362,908.95
Treasury notes, special issues:				
Alaska Railroad retirement fund.....	4	20,306.30	15,550.05	12,792.99
Canal Zone retirement fund.....	4	56,580.29	56,378.70	53,198.26
Canal Zone retirement fund.....	3	⁷ 529.64		763.77
Civil service retirement fund.....	4	13,902,684.93	19,413,879.77	18,917,315.07
Civil service retirement fund.....	3	⁷ 15,006.58	8,429.34	18,611.42
Federal Deposit Insurance Corporation.....	2		⁷ 1,093,060.10	
Federal old-age and survivors insurance trust fund.....	2½	10,134,000.00		
Federal old-age and survivors insurance trust fund.....	2½	5,100,000.00		
Federal old-age and survivors insurance trust fund.....	2	9,180,000.00		
Federal old-age and survivors insurance trust fund.....	1½	4,706,250.00	20,664,651.64	
Foreign service retirement fund.....	4	52,190.91	56,403.60	57,315.19
Foreign service retirement fund.....	3	(⁶)	(⁶)	180.00
Government life insurance fund.....	2	⁷ 25,380.82		
National service life insurance fund.....	3	9,404,550.00	24,621,000.00	57,030,000.00
Postal Savings System ⁸	2	37,500.00	3,072,989.12	
Federal Savings and Loan Insurance Corporation.....	2	175,860.00	624,000.00	206,000.00
Housing insurance fund.....	2		⁷ 22,282.61	
Mutual mortgage insurance fund.....	2		⁷ 295,651.45	113,812.15
Railroad retirement account.....	3	⁷ 56,095.89	⁷ 1,953,278.70	3,518,712.31
War housing insurance fund.....	2		⁷ 164,485.19	

Footnotes at end of table.

TABLE 37.—Interest paid on the public debt, by issues, fiscal year 1947-49¹—Con.

Issues	Rate of interest	1947	1948	1949
Debt matured as of June 30 in the respective years—Continued				
Certificates of indebtedness, special issues:				
Adjusted service certificate fund....	<i>Percent</i> 4	\$499,539.73	\$404,531.50	\$230,014.21
Federal old-age and survivors insurance trust fund.....	2½	-----	306,490.39	174,502,882.57
Federal old-age and survivors insurance trust fund.....	2	8,952,357.08	123,324,999.99	-----
Federal old-age and survivors insurance trust fund.....	1½	63,640,862.77	-----	-----
Government life insurance fund.....	3½	39,720,263.01	43,792,219.94	44,917,705.49
Unemployment trust fund.....	2½	-----	3,424,934.23	160,252,155.20
Unemployment trust fund.....	2	5,696,365.28	143,016,362.29	-----
Unemployment trust fund.....	1½	123,441,443.88	-----	-----
Total.....	-----	4,958,026,896.50	5,187,849,707.61	5,352,301,988.90

¹ For details for the fiscal years 1918 to 1929, see annual report for 1929, p. 503; and for later years, similar tables in subsequent reports.

² Sold on a discount basis.

³ Deduct, excess of credits, collection of interest accruals, and counter warrant adjustments.

⁴ See same series under the caption "Debt matured as of June 30 in the respective years."

⁵ Approximate yield if held to maturity.

⁶ See same series under "Debt unmatured as of June 30 in the respective years."

⁷ Notes redeemed prior to maturity date.

⁸ Includes interest on Canal Zone Postal Savings System, Treasury notes.

TABLE 38.—Interest paid on the public debt and guaranteed obligations, classified by tax status, fiscal years 1934-49

[In millions of dollars. On basis of Public Debt accounts, see p. 351]

Fiscal year	Total	Tax-exempt			Taxable	Special issues to Government agencies and trust funds
		Total	Wholly	Partially		
Grand total						
1934.....	759.6	745.2	248.7	496.5	-----	14.4
1935.....	913.1	895.8	292.7	603.1	-----	17.2
1936.....	867.4	842.0	262.3	579.7	-----	25.3
1937.....	985.4	936.9	239.0	697.9	-----	48.5
1938.....	1,041.1	967.3	216.4	750.9	-----	73.8
1939.....	1,055.8	954.4	147.0	807.4	-----	101.4
1940.....	1,151.4	1,019.5	104.2	915.3	-----	131.8
1941.....	1,221.1	1,060.9	79.2	981.7	0.5	159.6
1942.....	1,385.7	1,020.2	57.1	963.1	166.1	199.4
1943.....	1,895.0	962.2	38.3	924.0	691.5	241.3
1944.....	2,688.0	917.8	27.2	890.7	1,462.0	308.2
1945.....	3,640.0	793.4	45.3	748.1	2,441.1	405.4
1946.....	4,749.1	713.5	26.0	687.5	3,530.8	504.8
1947.....	4,959.6	602.6	6.9	595.6	3,755.1	601.9
1948.....	5,188.9	575.8	5.6	570.3	3,881.9	728.1
1949.....	5,353.0	495.0	5.1	489.9	4,040.5	817.5
Issued by U. S. Government						
1934.....	757.2	742.9	248.7	494.1	-----	14.4
1935.....	821.5	804.3	292.7	511.5	-----	17.2
1936.....	747.9	722.6	262.3	460.2	-----	25.3
1937.....	866.8	818.3	239.0	579.3	-----	48.5
1938.....	926.2	852.4	216.4	636.1	-----	73.8
1939.....	941.0	839.5	147.0	692.5	-----	101.4
1940.....	1,041.4	909.6	104.2	805.4	-----	131.8
1941.....	1,110.2	950.1	79.2	870.9	0.5	159.6
1942.....	1,260.1	907.2	57.1	850.1	153.5	199.4
1943.....	1,813.0	895.6	38.3	857.4	676.1	241.3
1944.....	2,610.1	852.2	27.2	825.0	1,449.8	308.2
1945.....	3,621.9	780.2	45.3	734.9	2,436.3	405.4
1946.....	4,747.5	711.9	26.0	685.9	3,530.8	504.8
1947.....	4,958.0	601.0	7.0	594.0	3,755.1	601.9
1948.....	5,187.8	574.8	5.6	569.2	3,881.9	728.1
1949.....	5,352.3	494.5	5.1	489.4	4,040.3	817.5
Issued by Federal instrumentalities: Guaranteed issues						
1934.....	2.3	2.3	-----	2.3	-----	-----
1935.....	91.6	91.6	-----	91.6	-----	-----
1936.....	119.5	119.5	-----	119.5	-----	-----
1937.....	118.6	118.6	-----	118.6	-----	-----
1938.....	114.9	114.9	-----	114.9	-----	-----
1939.....	114.8	114.8	-----	114.8	-----	-----
1940.....	109.9	109.9	-----	109.9	-----	-----
1941.....	110.9	110.9	-----	110.9	-----	-----
1942.....	125.6	113.0	-----	113.0	12.6	-----
1943.....	82.0	66.6	-----	66.6	15.4	-----
1944.....	77.9	65.7	-----	65.7	12.2	-----
1945.....	18.0	13.2	-----	13.2	4.8	-----
1946.....	1.6	1.6	-----	1.6	(*)	-----
1947.....	1.6	1.6	-----	1.6	(*)	-----
1948.....	1.1	1.1	-----	1.1	(*)	-----
1949.....	.7	.4	-----	.4	.2	-----

NOTE.—Amount of interest paid includes increase in redemption value of United States savings bonds and discount on unmatured issues of Treasury bills. Interest paid on guaranteed issues does not include amounts paid on demand obligations of Commodity Credit Corporation. Data for 1913-33 will be found in the 1948 annual report, p. 539.

*Less than \$50,000

Prices and yields of securities

TABLE 39.—Average yields of long-term Treasury bonds, by months, January 1930–June 1949 ¹

[Averages of daily figures. Percent per annum compounded semiannually]

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Average
PARTIALLY TAX-EXEMPT BONDS ²													
1930...	3.43	3.41	3.29	3.37	3.31	3.25	3.25	3.26	3.24	3.21	3.19	3.22	3.29
1931...	3.20	3.30	3.27	3.26	3.16	3.13	3.15	3.18	3.25	3.63	3.63	3.93	3.34
1932...	4.26	4.11	3.92	3.68	3.76	3.76	3.58	3.45	3.42	3.43	3.45	3.35	3.68
1933...	3.22	3.31	3.42	3.42	3.30	3.21	3.20	3.21	3.19	3.22	3.46	3.53	3.31
1934...	3.50	3.32	3.20	3.11	3.02	2.98	2.92	3.03	3.20	3.10	3.07	3.01	3.12
1935...	2.88	2.79	2.77	2.74	2.72	2.72	2.69	2.76	2.85	2.85	2.83	2.81	2.79
1936...	2.81	2.78	2.73	2.70	2.68	2.69	2.68	2.64	2.65	2.68	2.60	2.59	2.69
1937...	2.56	2.54	2.66	2.83	2.80	2.81	2.78	2.78	2.82	2.82	2.78	2.73	2.74
1938...	2.69	2.68	2.67	2.66	2.56	2.58	2.58	2.57	2.63	2.55	2.56	2.56	2.61
1939...	2.54	2.51	2.43	2.38	2.27	2.22	2.23	2.27	2.67	2.60	2.46	2.35	2.41
1940...	2.30	2.32	2.26	2.26	2.39	2.40	2.30	2.31	2.25	2.21	2.09	2.01	2.26
1941...	2.12	2.22	2.12	2.07	2.04	2.01	1.98	2.01	2.02	1.98	1.95	2.06	2.05
1942...	2.10	2.17	2.10	2.07	2.06	2.04	2.04	2.06	2.08	2.09	2.10	2.13	2.09
1943...	2.11	2.11	2.12	2.05	1.96	1.91	1.91	1.92	1.90	1.90	1.94	1.95	1.98
1944...	1.95	1.93	1.91	1.94	1.94	1.91	1.89	1.90	1.93	1.93	1.90	1.87	1.92
1945...	1.81	1.75	1.70	1.68	1.68	1.63	1.63	1.68	1.68	1.62	1.56	² 1.51	² 1.66
TAXABLE BONDS ³													
1941...										2.34	2.34	2.47	
1942...	2.48	2.48	2.46	2.44	2.45	2.43	2.46	2.47	2.46	2.45	2.47	2.49	2.46
1943...	2.46	2.46	2.48	2.48	2.46	2.45	2.45	2.46	2.48	2.48	2.48	2.49	2.47
1944...	2.49	2.49	2.48	2.48	2.49	2.49	2.49	2.48	2.47	2.48	2.48	2.48	2.48
1945...	2.44	2.38	2.40	2.39	2.39	2.35	2.34	2.36	2.37	2.35	2.33	2.33	2.37
1946...	2.21	2.12	2.09	2.08	2.19	2.16	2.18	2.23	2.28	2.26	2.25	2.24	2.19
1947...	2.21	2.21	2.19	2.19	2.19	2.22	2.25	2.24	2.24	2.27	2.36	2.39	2.25
1948...	2.45	2.45	2.44	2.44	2.42	2.41	2.44	2.45	2.45	2.45	2.44	2.44	2.44
1949...	2.42	2.39	2.38	2.38	2.38	2.38							

¹ For bonds selling above par and callable at par before maturity, the yields are computed on the basis of redemption at first call date; while for bonds selling below par, yields are computed to maturity. Monthly averages are averages of daily figures. Each daily figure is an unweighted average of the yields of the individual issues. Prior to Sept. 1941, yields were computed on the basis of the day's closing price on the New York Stock Exchange except that on days when an issue did not sell, the yield was computed on the mean of closing bid and ask quotations on the Stock Exchange. Commencing Sept. 1941, yields are computed on the basis of the mean of closing bid and ask quotations in the over-the-counter market. For average yields by months from January 1919 through December 1929, see p. 662 of the annual report for 1943.

² From July 17, 1928, through Nov. 29, 1935, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 12 years; from Nov. 30, 1935, through Dec. 14, 1945, yields are based on all outstanding partially tax-exempt Treasury bonds neither due nor callable for 15 years. This average was discontinued as of Dec. 15, 1945, because there were no longer any bonds of this classification due or callable in 15 or more years.

³ Average of all taxable Treasury bonds neither due nor callable for 15 years. Taxable bonds are those on which the interest is subject to both the normal and surtax rates of the Federal income tax. This average commenced Oct. 20, 1941.

TABLE 40.—*Prices and yields of marketable public debt issues, June 30, 1918 and 1949, and price ranges since first traded*¹
 [Price decimals are thirty-seconds]

	June 30, 1948				June 30, 1949				Price range since first traded			
	Price		Yield-percent		Price		Yield-percent		High		Low	
	Bid	Ask	To call	To maturity	Bid	Ask	To call	To maturity	Price	Date	Price	Date
Treasury bonds:												
2½%, Sept. 15, 1948.....	100.10	100.12	0.83	1.78					103.28	Mar. 2, 1946	100.04	Oct. 6, 1942
2½%, Dec. 15, 1948-50 ³	100.16	100.18	.83	1.72					104.00	do	100.03	Aug. 5, 1942
2½%, June 15, 1949-51 ⁴	100.25	100.27	1.14	1.69	100.05	100.07	1.08	1.79	115.04	Dec. 12, 1940	101.07	Dec. 15, 1934
2½%, Sept. 15, 1949-51 ⁵	100.30	101.00	1.19	1.22	100.13	100.17	.90	.65	115.04	Dec. 12, 1940	101.07	Dec. 15, 1934
2½%, Dec. 15, 1949-51.....	101.03	101.05	1.19	1.66	100.13	100.17	.90	2.78	115.04	Dec. 12, 1940	101.07	Dec. 15, 1934
3½%, Dec. 15, 1949-52.....	103.03	103.06	.95	2.38	100.26	100.28	.64	2.30	108.28	Mar. 11, 1946	100.01	Nov. 9, 1942
2½%, Dec. 15, 1949-53.....	102.04	102.07	.99	2.08	100.19	100.21	1.11	1.70	104.01	Dec. 10, 1946	100.01	Nov. 25, 1939
2½%, Mar. 15, 1950-52.....	101.04	101.06	1.31	1.08	100.19	100.21	1.11	1.87	108.30	Mar. 11, 1946	100.01	May 7, 1948
2½%, Sept. 15, 1950-52.....	103.04	103.07	1.04	1.72	101.29	101.31	1.16	1.08	104.07	do	100.01	Nov. 9, 1942
2½%, Sept. 15, 1950-52.....	101.08	101.10	1.41	1.08	100.31	100.31	1.15	1.13	102.15	Nov. 12, 1941	100.01	Nov. 9, 1942
1½%, Dec. 15, 1950.....	100.09	100.11	1.37		100.15	100.17	1.32	1.99	110.26	Mar. 12, 1946	100.01	Nov. 9, 1942
2½%, June 15, 1951-54.....	104.21	104.24	1.13	1.91	103.16	103.19	1.32	1.90	104.08	Mar. 12, 1946	100.01	Nov. 9, 1942
2½%, Sept. 15, 1951-53.....	101.18	101.20	1.49	1.68	101.19	101.21	1.25	1.50	113.24	Mar. 30, 1945	100.01	Nov. 9, 1942
3½%, Sept. 15, 1951-55.....	105.23	105.26	1.16	2.13	104.16	104.19	.91	2.52	108.21	Mar. 30, 1945	100.01	Nov. 9, 1942
2½%, Dec. 15, 1951-53.....	103.20	103.23	1.16	1.53	103.03	103.06	1.27	1.71	104.26	Mar. 11, 1946	100.01	Nov. 9, 1942
2½%, Dec. 15, 1951-55.....	101.19	101.21	1.52	1.77	101.25	101.25	1.27	1.70	104.26	Mar. 11, 1946	100.01	Nov. 9, 1942
2½%, Mar. 15, 1952-54.....	103.09	103.11	1.58	1.89	103.03	103.07	1.28	1.55	105.05	Feb. 18, 1946	100.01	Nov. 9, 1942
2½%, June 15, 1952-54.....	101.19	101.21	1.57	1.71	102.92	102.94	1.32	1.55	104.27	Mar. 11, 1946	100.01	Nov. 9, 1942
2½%, June 15, 1952-55.....	102.14	102.16	1.60	1.87	102.92	102.94	1.32	1.55	105.05	Mar. 11, 1946	100.01	Nov. 9, 1942
2½%, Dec. 15, 1952-54.....	101.20	101.22	1.61	1.73	102.97	102.99	1.01	1.33	107.25	Mar. 12, 1946	100.01	Nov. 9, 1942
2½%, Dec. 15, 1953-55.....	103.15	103.19	1.26	1.46	103.25	103.29	1.06	1.78	109.29	Mar. 12, 1946	102.02	July 24, 1940
2½%, June 15, 1953-55.....	103.02	103.06	1.55	1.35	103.12	103.16	1.50	1.78	116.22	Feb. 8, 1946	101.30	Sept. 20, 1935
2½%, June 15, 1954-56.....	108.16	108.20	1.35	2.05	105.24	105.27	1.59	1.70	116.22	Feb. 8, 1946	101.30	Sept. 20, 1935
2½%, Mar. 15, 1955-58.....	108.16	108.20	1.35	2.05	105.24	105.27	1.59	1.70	116.22	Feb. 8, 1946	101.30	Sept. 20, 1935
2½%, Mar. 15, 1956-58.....	109.04	109.08	1.06	2.03	104.11	104.17	1.69	1.77	107.16	Apr. 6, 1946	100.01	Apr. 1, 1937
2½%, Sept. 15, 1956-59.....	109.04	109.08	1.06	2.03	104.11	104.17	1.69	1.77	107.16	Apr. 6, 1946	100.01	Apr. 1, 1937
2½%, June 15, 1958-63.....	108.17	108.21	1.75	2.25	101.28	101.31	2.04	2.08	117.04	Jan. 15, 1946	100.01	Sept. 25, 1939
2½%, June 15, 1959-62.....	108.17	108.21	1.75	2.25	101.28	101.31	2.04	2.08	117.04	Jan. 15, 1946	100.01	Sept. 25, 1939
2½%, Dec. 15, 1959-62.....	109.04	109.08	1.06	2.03	104.11	104.17	1.69	1.77	107.16	Apr. 6, 1946	100.01	Apr. 1, 1937
2½%, Dec. 15, 1962-65.....	109.04	109.08	1.06	2.03	104.11	104.17	1.69	1.77	107.16	Apr. 6, 1946	100.01	Apr. 1, 1937
2½%, June 15, 1962-65.....	101.15	101.17	2.37	2.40	103.24	103.27	2.16	2.24	108.62	do	100.00	Aug. 17, 1942
2½%, Dec. 15, 1962-68.....	101.15	101.17	2.41	2.43	103.24	103.27	2.16	2.24	108.62	do	100.00	Aug. 17, 1942
2½%, June 15, 1964-69.....	100.26	100.28	2.44	2.45	102.22	102.25	2.38	2.33	107.25	do	100.00	Mar. 2, 1944
2½%, Dec. 15, 1964-69.....	100.25	100.27	2.44	2.45	102.17	102.20	2.30	2.34	107.24	do	100.00	Mar. 2, 1944

2½% Mar. 15, 1965-70.....	100.24	100.26	2.44	2.45	102.10	102.13	2.32	2.36	107.23	do.	100.00	Feb. 16, 1944
2½% Mar. 15, 1966-71.....	100.19	100.21	2.46	2.46	102.08	102.11	2.33	2.36	107.22	do.	100.06	Dec. 13, 1944
2½% June 15, 1967-72.....	100.08	100.11	2.48	2.48	101.24	101.27	2.35	2.40	106.16	do.	100.09	Dec. 13, 1945
2½% Sept. 15, 1967-72.....	101.26	101.28	2.58	2.48	104.26	101.29	2.18	2.23	109.18	do.	100.01	Jan. 2, 1942
2½% Dec. 15, 1967-72.....	100.09	100.11	2.48	2.48	101.24	101.27	2.35	2.40	106.16	do.	100.09	Dec. 13, 1945
Other bonds: ⁹												
3% Panama Canal, June 1, 1961.....	120.00	121.16	1.26	---	118.08	119.08	1.30	---	134.00	Sept. 5, 1944	75.00	June 18, 1921

Yield basis—percent

	Bid	Ask	Mean	Bid	Ask	Mean						
Treasury notes:												
1½% A, Sept. 15, 1948.....	0.99	0.96	---	---	---	---	---	---	---	---	---	---
1½% B, Oct. 1, 1948.....	0.99	0.96	---	---	---	---	---	---	---	---	---	---
1½% C, Jan. 1, 1949.....	1.01	1.02	1.03	---	---	---	---	---	---	---	---	---
1½% A, April 1, 1950.....	---	---	---	1.14	1.11	1.12	1.12	1.12	June 30, 1949	1.35	Nov. 9, 1945	---
Certificates of indebtedness:												
3½% F, July 1, 1948.....	(7)	(7)	---	---	---	---	---	---	---	---	---	---
3½% G, July 1, 1948.....	(7)	(7)	---	---	---	---	---	---	---	---	---	---
3½% H, July 1, 1948.....	(7)	(7)	---	---	---	---	---	---	---	---	---	---
1½% K, Oct. 1, 1948.....	0.99	0.96	0.98	---	---	---	---	---	---	---	---	---
1½% A, Jan. 1, 1949.....	0.99	1.02	1.03	---	---	---	---	---	---	---	---	---
1½% B, Feb. 1, 1949.....	1.06	1.04	1.05	---	---	---	---	---	---	---	---	---
1½% C, Mar. 1, 1949.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% D, Apr. 1, 1949.....	1.08	1.06	1.07	---	---	---	---	---	---	---	---	---
1½% E, June 1, 1949.....	1.11	1.09	1.10	---	---	---	---	---	---	---	---	---
1½% F, July 1, 1949.....	1.11	1.09	1.10	---	---	---	---	---	---	---	---	---
1½% G, Oct. 1, 1949.....	1.11	1.09	1.10	---	---	---	---	---	---	---	---	---
1½% H, Dec. 15, 1949.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% A, Jan. 1, 1950.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% B, Feb. 1, 1950.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% C, Mar. 1, 1950.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% D, Apr. 1, 1950.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% E, June 1, 1950.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---
1½% F, July 1, 1950.....	1.09	1.07	1.08	---	---	---	---	---	---	---	---	---

1 Prices on June 30, 1948 and 1949, are closing bid and ask quotations in over-the-counter market as compiled by Federal Reserve Bank of New York. Prices in range columns are mean of closing bid and ask quotations in over-the-counter market except that treasury bond prices prior to Oct. 1, 1939, are closes on New York Stock Exchange. When issued, prices are included in price range beginning Oct. 1, 1939. Dates of highs and lows, in case of recurrence, are latest dates. Yields are percent per annum compounded semiannually and are computed on the mean of bid and ask prices.

2 Treasury bills are excluded. For description and amount of each issue outstanding on June 30, 1949, see table 17; for information as of June 30, 1948, see 1948 annual report, page 433.

3 Called on Aug. 13, 1948, for redemption on Dec. 15, 1948.

4 Called on Feb. 14, 1949, for redemption on June 15, 1949.

5 Called on May 13, 1949, for redemption on Sept. 15, 1949.

6 No market quotations for postal savings bonds.

7 Not quoted.

8 Quoted on "when issued" basis.

9 Quoted on "when issued" basis. For description, see exhibit 2.

GOLD, SILVER, AND GENERAL FUND ASSETS AND LIABILITIES

TABLE 41.—*Assets and liabilities of the Treasury, June 30, 1948 and 1949*

(On basis of daily Treasury statements, see p. 351)

	June 30, 1948	June 30, 1949	Increase, or decrease (—)
GOLD			
Assets: Gold	\$23,532,458,806.18	\$24,465,923,696.50	\$933,464,890.32
Liabilities:			
Gold certificates ¹	2,860,639,049.00	2,858,131,969.00	—2,507,080.00
Gold certificate fund—Board of Governors, Federal Reserve System	18,826,727,721.98	19,840,986,235.25	1,014,258,513.27
Redemption fund—Federal Reserve notes	615,644,841.54	588,723,570.27	—26,921,271.27
Gold reserve ²	156,039,430.93	156,039,430.93	—
Gold in general fund	1,073,407,762.73	1,022,042,491.05	—51,365,271.68
Total	23,532,458,806.18	24,465,923,696.50	933,464,890.32
SILVER			
Assets:			
Silver bullion (monetary value) ³	1,955,072,479.81	1,988,559,348.44	33,486,868.63
Silver dollars	334,598,786.00	326,304,720.00	—8,294,066.00
Total	2,289,671,265.81	2,314,864,068.44	25,192,802.63
Liabilities:			
Silver certificates outstanding ¹	2,258,934,263.00	2,265,738,463.00	6,804,200.00
Treasury notes of 1890 outstanding ¹	1,146,166.00	1,145,466.00	700.00
Silver in general fund	29,590,836.81	47,980,139.44	18,389,302.63
Total	2,289,671,265.81	2,314,864,068.44	25,192,802.63
GENERAL FUND			
Assets:			
In Treasury offices:			
Gold (as above)	1,073,407,762.73	1,022,042,491.05	—51,365,271.68
Silver:			
At monetary value (as above)	29,590,836.81	47,980,139.44	18,389,302.63
Subsidiary coin	10,597,976.75	15,383,324.50	4,785,347.75
Bullion:			
At recoinage value	321,141.78	305,016.63	—16,125.15
At cost value ³	91,228,918.51	88,344,938.65	—2,883,979.86
Minor coin	7,326,164.93	5,999,467.98	—1,326,696.95
United States notes	3,671,993.00	2,420,236.00	—1,251,757.00
Federal Reserve notes	45,857,460.00	57,764,505.00	11,907,045.00
Federal Reserve Bank notes	1,449,600.00	573,130.00	—876,470.00
National bank notes	504,110.00	479,650.00	—24,460.00
Unclassified—collections, etc.	30,972,297.40	25,658,870.66	—5,313,426.74
Subtotal	1,294,928,261.91	1,266,951,769.91	—27,976,492.00
Deposits in:			
Federal Reserve Banks:			
Available funds	1,927,561,934.39	438,443,622.96	—1,489,118,311.43
In process of collection	122,947,579.41	102,818,778.68	—20,128,800.73
Special depositories, withheld taxes and sales of Government securities	1,772,641,417.23	1,770,628,117.25	—2,013,299.98
National and other bank depositories	213,084,754.65	237,709,789.82	24,625,035.17
Foreign depositories	20,023,152.46	26,829,621.59	6,806,469.13
Philippine Treasury	19,017,262.43	19,017,262.43	—
Subtotal	4,075,276,100.57	2,595,447,192.73	—1,479,828,907.84
Total assets, general fund	5,370,204,362.48	3,862,398,962.64	—1,507,805,399.84

Footnotes at end of table.

TABLE 41.—*Assets and liabilities of the Treasury, June 30, 1948 and 1949—Cont.*

	June 30, 1948	June 30, 1949	Increase, or decrease (—)
GENERAL FUND—Continued			
Liabilities:			
Treasurer's checks outstanding.....	\$23, 272, 280. 59	\$17, 380, 542. 48	—\$5, 891, 738. 11
Deposits of Government officers:			
Post Office Department.....	83, 947, 351. 62	119, 705, 225. 39	35, 757, 873. 77
Board of trustees, Postal Savings System:			
5-percent reserve, lawful money.....	169, 000, 000. 00	164, 500, 000. 00	—4, 500, 000. 00
Other deposits.....	19, 677, 401. 60	34, 213, 599. 05	14, 536, 197. 45
Postmasters' disbursing accounts, etc.....	140, 328, 690. 94	53, 588, 558. 13	—86, 740, 132. 81
Uncollected items, exchanges, etc.....	1, 957, 160. 66	2, 607, 725. 92	650, 565. 26
Total liabilities, general fund.....	438, 182, 885. 41	391, 995, 650. 97	—46, 187, 234. 44
Balance in general fund.....	4, 932, 021, 477. 07	3, 470, 403, 311. 67	—1, 461, 618, 165. 40
Total general fund liabilities and bal- ance.....	5, 370, 204, 362. 48	3, 862, 398, 962. 64	—1, 507, 805, 399. 84

NOTE.—The amount to the credit of disbursing officers and certain agencies was \$8,466,658,574.14 on June 30, 1948, and \$7,135,391,447.41 on June 30, 1949.

¹ Does not include amounts held in Treasury offices and by Federal Reserve Banks and agents in custody for the Treasurer of the United States. See table 81.

² Reserve against United States notes (\$346,681,016 in 1948 and 1949) and Treasury notes of 1890 outstanding (\$1,146,166 in 1948 and \$1,145,466 in 1949). Treasury notes of 1890 are also secured by silver dollars in the Treasury.

³ 728,333,459.9 ounces and 634,694,180.0 ounces of these items of silver were held on June 30, 1948, and June 30, 1949, by certain agencies of the Federal Government.

TABLE 42.—*Cash balances held by the various classes of depositaries, June 30, 1949*

Class	Number of facilities	Deposits to the credit of the Treasurer, U. S.
Federal Reserve Banks.....	12	\$541, 262, 401. 64
Other banks in continental United States:		
General depositaries.....	1, 276	203, 182, 083. 25
Limited depositaries.....	917	
Special depositaries, withheld taxes and sales of United States securities.....	10, 722	1, 770, 628, 117. 25
Depositaries for withheld taxes, time deposits.....	673	10, 209, 500. 00
Insular and territorial depositaries.....	38	24, 318, 206. 57
Foreign depositaries.....	175	45, 846, 884. 02
Total.....	13, 813	2, 595, 447, 192. 73

Hospital fund, U. S. Army Office of the Surgeon General	42,406	42,059	40,545	41,316	44,625	1,030	1,780	4,350	4,350	4,350	2,770
Individual Indian trust funds	1	1	1	4	4	47,031	47,802	41,875	46,060	43,663	41,283
Library of Congress trust fund	83	14	79	79	79	79	86	86	86	86	86
National Institute of Health gift fund	12	14	16	17	18	18	18	18	18	18	18
National park trust fund	193	191	191	191	191	191	191	191	193	193	193
Pershing Hall memorial fund											
Preservation Birthplace of Abraham Lincoln, National Park Service											
Public Housing Administration (U. S. Housing Act)	1,700	3,800	6,070	7,070	7,070	7,070	7,870	7,870	7,870	7,870	17
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act	141	151	186	209	208	254	344	404	416	382	402
Relief and rehabilitation, Workmen's Compensation Act within the District of Columbia	10	22	27	32	32	44	48	54	71	81	81
U. S. Army and Air Force Motion Picture Service				1,635	2,418	2,018	1,923	2,173	3,243	4,543	2,065
U. S. Naval Academy general gift fund						83	85	85	85	85	85
Total handled by Treasury	5,527,546	6,705,757	8,157,946	10,193,394	13,530,205	18,314,656	24,342,053	28,605,735	32,457,637	35,421,555	37,778,124
ACCOUNTS OF OTHER AGENCIES											
Banks for cooperatives	94,358	84,887	31,776	33,702	33,951	42,784	42,849	53,906	42,568	42,656	42,656
Federal Farm Mortgage Corporation				1,632	115,000						
Federal home loan banks	47,664	53,689	62,370	68,517	154,194	131,535	158,407	120,844	155,464	162,118	337,790
Federal intermediate credit banks	74,900	54,825	36,000	44,000	36,000	36,000	36,511	43,151	43,151	43,151	44,654
Federal land banks	74,405	84,052	101,825	206,266	327,709	402,335	139,690	133,615	(^c)	5	
Federal National Mortgage Association					736	634	569	363			
Home Owners' Loan Corporation (in liquidation)		3,600			9,984	15,000	15,000	15,000	15,200	12,400	10,200
Inland Waterways Corporation	3,487	3,987	3,757	3,337	5,522	6,400	6,650	4,132	2,258	50	50
Joint stock land banks	9,067	11,214	215	2,322	62	36	31	13	(^c)		
Panama Railroad Company				2,705	8,800	16,969	22,219	21,836	19,350	20	20
Production credit corporations	19,973	20,162	46,245	12,240	36,058	37,802	64,233	67,825	67,036	65,870	37,352
Reconstruction Finance Corporation	48,020	45,558	56,674	55,471	64,032	71,769	75,052	47,955	1,704	125	
Regional Agricultural Credit Corporation of Washington, D. C.											
RFC Mortgage Company, The						236	326	330	(^c)	(^c)	(^c)
U. S. Spruce Production Corporation	125	125	125	115	449	956	5,467	8,017	(^c)		
Total other agencies	371,838	385,209	333,016	428,286	792,001	782,830	587,138	519,316	346,765	326,389	492,722
Total holdings of securities by Government agencies and accounts	5,899,384	7,090,966	8,490,962	10,621,680	14,322,206	19,097,486	24,929,191	29,125,051	32,804,402	35,747,945	38,270,846

¹ For further details on certain of these accounts, see tables 44 through 65.

² Transferred to civil service retirement and disability fund in accordance with Public Law 849, approved June 30, 1948.

³ Proprietary interest of the United States in these banks ended June 26, 1947.

⁴ Figures are incomplete as they include only the securities held by the Federal Reserve Banks and branches in safeguarding for joint stock land banks, subject to the order of the Governor of the Farm Credit Administration.

⁵ Corporation has been liquidated.

TABLE 44.—*Adjusted service certificate fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund was established in accordance with the provisions of the act of May 19, 1924 (43 Stat. 128). For further details see annual report of the Secretary for 1941, p. 135]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Appropriations.....	* \$3,639,157,956.40		\$3,639,157,956.40
Interest on loans and investments.....	136,424,713.87	\$233,629.65	136,658,343.52
Total receipts.....	3,775,582,670.27	233,629.65	3,775,816,299.92
Expenditures:			
Payments under Adjusted Compensation Payment Act, 1936, enacted Jan. 27, 1936:			
Adjusted service bonds.....	1,849,992,350.00	113,050.00	1,850,105,400.00
Adjusted service bonds (Government life insurance fund series).....	500,157,956.40		500,157,956.40
Checks for amounts less than \$50.....	83,868,210.37	5,142.63	83,873,353.00
Checks paid by Treasurer of the United States other than in final settlement of certificates under the Adjusted Compensation Payment Act, 1936, less credits on account of repay- ments of loans.....	* 1,335,471,065.53	522,478.34	1,335,993,543.87
Total expenditures.....	3,769,489,582.30	640,670.97	3,770,130,253.27
Balance.....	6,093,087.97	-407,041.32	5,686,046.65

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or de- crease (—), fiscal year 1949	June 30, 1949
Investments:			
4% special Treasury certificates of indebted- ness, adjusted service certificate fund series:			
Maturing Jan. 1, 1949.....	\$5,800,000.00	—\$5,800,000.00	
Maturing Jan. 1, 1950.....		5,563,000.00	\$5,563,000.00
Total investments.....	5,800,000.00	—237,000.00	5,563,000.00
Unexpended balances:			
To credit of disbursing officers.....	207,762.77	—109,446.08	98,316.69
On books of the Treasurer of the United States ¹	75,836.58	—59,685.43	16,151.15
On books of the Division of Bookkeeping and Warrants.....	* 9,488.62	—909.81	* 8,578.81
Total assets.....	6,093,087.97	—407,041.32	5,686,046.65

* Revised.

¹ Represents outstanding checks.

² Excludes \$78.80 representing July prior repayments.

³ Excludes \$113.00 representing July prior repayments.

TABLE 45.—*Ainsworth Library fund, Walter Reed General Hospital, June 30, 1949*

[This trust fund was established in accordance with the provisions of the joint resolution of Congress approved May 23, 1935 (49 Stat. 287). For further details see annual report of the Secretary for 1941, p. 154]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Bequest of Maj. Gen. Fred C. Ainsworth.....	\$10,700.00	-----	\$10,700.00
Earnings on investments.....	3,190.02	\$278.88	3,468.90
Total receipts.....	13,890.02	278.88	14,168.90
Expenditures.....	3,480.51	401.20	3,881.71
Balance.....	10,409.51	-122.32	10,287.19

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Decrease, fiscal year 1949	June 30, 1949
Investments:			
2½% Treasury bonds of 1955-60 (par value \$9,700).....	\$9,972.81	-----	\$9,972.81
Unexpended balance on books of the Division of Bookkeeping and Warrants.....	436.70	\$122.32	314.38
Total.....	10,409.51	122.32	10,287.19

TABLE 46.—*Alaska Railroad retirement and disability fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund was established in accordance with the provisions of sec. 9 of the act of June 29, 1936 (49 Stat. 2022). For further details see annual report of the Secretary for 1941, p. 139]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
On account of deductions from basic compensation of employees subject to retirement act.....	\$2, 188, 985. 48	\$510, 631. 17	\$2, 699, 616. 65
Transferred from civil service retirement and disability fund:			
On account of deductions.....	30, 980. 06		30, 980. 06
Accrued interest on deductions.....	2, 170. 16		2, 170. 16
Total.....	33, 150. 22		33, 150. 22
Appropriations.....	2, 051, 000. 00	217, 000. 00	2, 268, 000. 00
Interest and profits on investments.....	656, 465. 34	132, 063. 90	788, 529. 24
Total receipts.....	4, 929, 601. 04	859, 695. 07	5, 789, 296. 11
Expenditures:			
Annuity payments and refunds.....	1, 816, 961. 46	¹ 449, 103. 99	2, 266, 065. 45
Balance.....	3, 112, 639. 58	410, 591. 08	3, 523, 230. 66

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
4% special Treasury notes, Alaska Railroad retirement fund series, maturing:			
June 30, 1949.....	\$384, 000. 00	—\$384, 000. 00	
June 30, 1950.....	557, 000. 00		\$557, 000. 00
June 30, 1951.....	637, 000. 00		637, 000. 00
June 30, 1952.....	1, 027, 000. 00		1, 027, 000. 00
June 30, 1953.....	465, 000. 00	406, 000. 00	871, 000. 00
June 30, 1954.....		355, 000. 00	355, 000. 00
Total investments.....	3, 070, 000. 00	377, 000. 00	3, 447, 000. 00
Unexpended balances:			
To credit of disbursing officers.....	¹ 37, 809. 23	12, 813. 25	50, 622. 48
On books of the Division of Bookkeeping and Warrants.....	² 1, 199. 83	20, 777. 83	21, 977. 66
On books of the Treasurer of the United States ³	3, 630. 52		3, 630. 52
Total assets.....	3, 112, 639. 58	410, 591. 08	3, 523, 230. 66

^r Revised.

¹ Increased by \$5,510.00 representing June expenditures adjusted in daily Treasury statement during July 1949.

² Excludes \$34,559.29 representing July prior deposits appropriated as of June 30, 1948.

³ Represents outstanding checks.

TABLE 47.—*Canal Zone retirement and disability fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund was established in accordance with the provisions of sec. 10 of the act of Mar. 2, 1931 (46 Stat. 1477). For further details see annual report of the Secretary for 1941, p. 137]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act.....	\$13,320,602.01	\$1,006,487.93	\$14,327,089.94
On account of voluntary contributions.....	412,592.51	92,553.88	505,146.39
Total.....	13,733,194.52	1,099,041.81	14,832,236.33
Transfers from civil service retirement and disability fund:			
On account of deductions.....	1,314,724.36	-----	1,314,724.36
Accrued interest on deductions.....	153,076.58	-----	153,076.58
Total.....	1,467,800.94	-----	1,467,800.94
Appropriations.....	11,916,000.00	1,177,000.00	13,093,000.00
Interest and profits on investments.....	4,044,116.27	551,714.01	4,595,830.28
Total receipts.....	31,161,111.73	2,827,755.82	33,988,867.55
Expenditures:			
Annuity payments and refunds.....	17,761,570.78	2,084,482.36	19,846,053.14
Balance.....	13,399,540.95	743,273.46	14,142,814.41

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
4% special Treasury notes, Canal Zone retirement fund series, maturing:			
June 30, 1949.....	\$1,833,000.00	—\$1,833,000.00	-----
June 30, 1950.....	2,377,000.00	-----	\$2,377,000.00
June 30, 1951.....	4,477,000.00	-----	4,477,000.00
June 30, 1952.....	2,727,000.00	-----	2,727,000.00
June 30, 1953.....	1,510,000.00	1,420,000.00	2,930,000.00
June 30, 1954.....	-----	1,150,000.00	1,150,000.00
3% special Treasury notes, Canal Zone retirement fund series, maturing:			
June 30, 1949.....	30,000.00	—30,000.00	-----
June 30, 1950.....	29,000.00	-----	29,000.00
June 30, 1951.....	65,000.00	-----	65,000.00
June 30, 1952.....	62,000.00	-----	62,000.00
June 30, 1953.....	17,000.00	61,500.00	78,500.00
June 30, 1954.....	-----	23,000.00	23,000.00
Total investments.....	13,127,000.00	791,500.00	13,918,500.00
Unexpended balances:			
To credit of disbursing officer.....	* 185,364.53	13,666.06	199,030.59
On books of the Division of Bookkeeping and Warrants.....	2 77,251.56	—61,892.60	3 15,358.96
On books of the Treasurer of the United States 4.....	9,924.86	-----	9,924.86
Total assets.....	13,399,540.95	743,273.46	14,142,814.41

* Revised.

1 Includes payment from Panama Railroad Company of \$355,984.00 for 1941.

2 Excludes \$112.17 July prior deposits appropriated in June 1948.

3 Excludes July prior deposits of \$119,362.70 and August prior deposits of \$134.92 appropriated as of June 30, 1949.

4 Represents outstanding checks.

TABLE 48.—*Civil service retirement and disability fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund was established in accordance with the provisions of the act of May 22, 1920 (41 Stat. 614). For further details see annual report of the Secretary for 1941, p. 136]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act ¹	\$2,219,746,781.64	\$321,448,592.27	\$2,541,195,373.91
On account of voluntary contributions	10,406,350.00	2,523,000.00	12,929,350.00
Appropriations	1,851,578,079.00	² 226,032,000.00	2,077,610,079.00
Interest and profits on investments	652,680,550.14	122,798,553.78	775,479,103.92
Transferred from the Comptroller of the Currency retirement fund, act of June 28, 1948:			
Cash		453,996.45	453,996.45
Securities		5,050,000.00	5,050,000.00
Total	4,734,411,760.78	678,306,142.50	5,412,717,903.28
Expenditures:			
Annuity payments and refunds	1,908,645,732.20	³ 218,213,960.97	2,126,859,693.17
Transfers to Canal Zone retirement and disability fund:			
On account of deductions	1,314,724.36		1,314,724.36
Accrued interest on deductions	153,076.58		153,076.58
Total	1,467,800.94		1,467,800.94
Transfers to Alaska Railroad retirement and disability fund:			
On account of deductions	30,980.06		30,980.06
Accrued interest on deductions	2,170.16		2,170.16
Total	33,150.22		33,150.22
Transfers to policemen's and firemen's relief fund, D. C.:			
On account of deductions	52,680.62	3,171.99	55,852.61
Accrued interest on deductions	25,040.34	1,588.42	26,628.76
Total	77,720.96	4,760.41	82,481.37
Total expenditures	1,910,224,404.32	³ 218,218,721.38	2,128,443,125.70
Balance	2,824,187,356.46	460,087,421.12	3,284,274,777.58

Footnotes at end of table.

TABLE 48.—*Civil service retirement and disability fund, June 30, 1949—Con.*

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
4% special Treasury notes, civil service retirement fund series, maturing:			
June 30, 1949	\$509,100,000.00	—\$509,100,000.00	
June 30, 1950	529,000,000.00		\$529,000,000.00
June 30, 1951	479,043,000.00		479,043,000.00
June 30, 1952	705,330,000.00		705,330,000.00
June 30, 1953	564,900,000.00	438,022,000.00	1,002,922,000.00
June 30, 1954		513,380,000.00	513,380,000.00
3% special Treasury notes, civil service retirement fund series, maturing:			
June 30, 1949	942,000.00	—942,000.00	
June 30, 1950	1,429,000.00		1,429,000.00
June 30, 1951	2,357,000.00		2,357,000.00
June 30, 1952	2,158,000.00		2,158,000.00
June 30, 1953	352,000.00	1,984,500.00	2,336,500.00
June 30, 1954		429,000.00	429,000.00
Total Treasury notes	2,791,611,000.00	443,773,500.00	3,238,384,500.00
Treasury bonds:			
2½% of 1962-67		300,000.00	300,000.00
2½% of 1964-69 (dated Apr. 15, 1943)		100,000.00	100,000.00
2½% of 1964-69 (dated Sept. 15, 1943)		2,500,000.00	2,500,000.00
2½% of 1966-71		825,000.00	825,000.00
2½% of 1967-72		610,000.00	610,000.00
Total Treasury bonds		4,335,000.00	4,335,000.00
United States savings bonds:			
2.90% Series D-1940		7,500.00	7,500.00
2½% Series G-1942 to 1948		700,000.00	700,000.00
Total United States savings bonds		707,500.00	707,500.00
Total investments	2,794,611,000.00	448,816,000.00	3,243,427,000.00
Unexpended balances:			
To credit of disbursing officers	17,765,436.46	5,879,393.12	23,644,829.58
On books of the Division of Bookkeeping and Warrants	9,441,656.84	5,865,478.22	15,307,135.06
On books of the Treasurer of the United States ⁶	2,369,263.16	—473,450.22	1,895,812.94
Total assets	2,824,187,356.46	460,687,421.12	3,284,274,777.58

¹ Revised.

¹ Under Public Law 426, approved Feb. 28, 1948, it was provided that after June 30, 1948, there would be deducted and withheld from basic salary, pay, or compensation of any officer or employee to whom the Civil Service Retirement Act applies a sum equal to 6 per centum of such officer's or employee's basic salary, pay, or compensation in lieu of 5 per centum deduction previously in effect.

² Comprises \$224,000,000 appropriated from general fund to cover liability of United States and \$2,032,000 appropriated from revenues of District of Columbia to cover its liability in connection with financing of fund.

³ Excludes \$7,500 representing repayment of investment classified under annuities and refunds, to be adjusted in fiscal year 1950.

⁴ Excludes \$3,946,864.93 representing July prior deposits appropriated as of June 30, 1948, and excludes July prior repayments in the amount of \$791.13. Also excludes adjustment of \$6,999.44 to be made by Treasurer's Office in fiscal year 1949.

⁵ Excludes \$5,142,643.88 representing July prior deposits appropriated as of June 30, 1949, and excludes July prior repayments in the amount of \$110.77. Also excludes \$5,440.71 representing adjustment of June 1949 expenditures effected in daily Treasury statement during July 1949. Also includes \$16.95 representing deduction of expenditures to be adjusted by Treasurer's Office during fiscal year 1950.

⁶ Represents outstanding checks.

TABLE 49.—*District of Columbia teachers' retirement and annuity fund—Assets held by the Treasury Department, June 30, 1949*

[Public Law 624, approved Aug. 7, 1946 (60 Stat. 875), created this fund as successor to the District of Columbia teachers' retirement fund established under the act of Jan. 15, 1920, as amended, effecting the consolidation of the deductions fund and the Government reserve fund as of July 1, 1946]

Assets	June 30, 1948 ¹ (principal cost)	Increase, or decrease (—), fiscal year 1949	June 30, 1949	
			Par value	Principal cost
Investments:				
Government securities:				
Treasury bonds:				
2½% of 1955-60	\$3,025,327.25		\$2,981,850.00	\$3,025,327.25
2½% of 1951-54	96,908.13		94,000.00	96,908.13
2½% of 1956-59	236,204.39		231,000.00	236,204.39
2½% of 1958-63	618,473.14		606,000.00	618,473.14
2½% of 1952-54	513,000.00		513,000.00	513,000.00
2½% of 1956-58	49,100.31		47,000.00	49,100.31
2½% of 1964-69 (dated Apr. 15, 1943)	879,721.25		878,000.00	879,721.25
2½% of 1964-69 (dated Sept. 15, 1943)	1,303,500.00		1,303,500.00	1,303,500.00
2½% of 1965-70	257,000.00		257,000.00	257,000.00
2½% of 1966-71	151,000.00		151,000.00	151,000.00
2½% of 1967-72 (dated Oct. 20, 1941)	341,000.00		341,000.00	341,000.00
2½% of 1967-72 (dated June 1, 1945)	2,877,044.37		2,828,500.00	2,877,044.37
2½% of 1967-72 (dated Nov. 15, 1945)	1,353,902.58	\$501,328.13	1,820,500.00	1,855,230.71
2½% of 1951-56	656,000.00		656,000.00	656,000.00
2% of 1948-50 (dated Dec. 8, 1939)	65,000.00	—65,000.00		
2½% of 1965, Investment Series A	250,000.00		250,000.00	250,000.00
United States savings bonds, 2½% Series G	1,032,500.00	1,000,000.00	2,032,500.00	2,032,500.00
Total Government securities	13,705,681.42	1,436,328.13	14,990,850.00	15,142,009.55
Other securities:				
4½% Philippine Islands bonds	197,669.56		182,000.00	197,669.56
4½% Puerto Rican bonds	71,072.13		71,000.00	71,072.13
Total other securities	268,741.69		253,000.00	268,741.69
Total investments	13,974,423.11	1,436,328.13	15,243,850.00	15,410,751.24
Accrued interest receivable	58,321.72	12,891.31		71,213.03
Unexpended balances:				
To credit of disbursing officer	40,138.25	—12,837.53		27,300.72
On books of the Division of Bookkeeping and Warrants	187,834.56	—6,627.46		181,207.10
Total assets	14,260,717.64	1,429,754.45		15,690,472.09
Assets according to accounts:				
Deduction account	14,208,035.20	1,422,908.23		15,630,943.43
Voluntary contributions account	52,682.44	6,846.22		59,528.66
Total assets	14,260,717.64	1,429,754.45		15,690,472.09

¹ Includes deductions fund and Government reserve fund reported on pages 567 and 568 of 1946 annual report.

TABLE 50.—*District of Columbia water fund—Investments held by the Treasury Department, June 30, 1949*

[These investments were made in accordance with the provisions of the act of June 29, 1937 (50 Stat. 392), and in subsequent appropriation acts for the District of Columbia. For further details see annual report of the Secretary for 1941, p. 142]

Investments	June 30, 1948 (principal cost)	Fiscal year 1949	June 30, 1949	
			Par value	Principal cost
Treasury bonds:				
2½% of 1952-54	\$100,000.00		\$100,000.00	\$100,000.00
2½% of 1958-63	749,110.01		736,000.00	749,110.01
2½% of 1960-65	987,511.56		937,000.00	987,511.56
Total investments	1,836,621.57		1,773,000.00	1,836,621.57

TABLE 51.—*Assets held by the Treasury Department under relief and rehabilitation, Workmen's Compensation Act within the District of Columbia, June 30, 1949*¹

[This trust fund was established in accordance with the provisions of the act of May 17, 1928 (45 Stat. 600). For further details see annual report of the Secretary for 1941, p. 141]

Assets	June 30, 1948 (principal cost)	Increase, or decrease (—), fiscal year 1949	June 30, 1949	
			Par value	Principal cost
Investments:				
Government securities:				
Treasury bonds:				
2% of 1948-50 (dated Dec. 8, 1939) -----	\$12,000.00	—\$12,000.00		
2½% of 1952-54 -----	5,000.00		\$5,000.00	\$5,000.00
2½% of 1955-60 -----	10,165.63		10,000.00	10,165.63
2½% of 1962-67 -----	5,000.00		5,000.00	5,000.00
2½% of 1967-72 (dated Nov. 15, 1945) -----	6,000.00		6,000.00	6,000.00
United States savings bonds, 2½% Series G -----	42,600.00	12,000.00	54,600.00	54,600.00
Total investments -----	80,765.63		80,600.00	80,765.63
Unexpended balances:				
To credit of disbursing officers -----	1,692.51	—1,041.83		650.68
On books of the Division of Bookkeeping and Warrants -----	10,683.41	3,330.00		14,013.41
Total assets -----	93,141.55	2,288.17		95,429.72

¹ Formerly known as District of Columbia workmen's compensation fund.

TABLE 52.—*Federal old-age and survivors insurance trust fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund, the successor to the old-age reserve account, was established in accordance with the provisions of the Social Security Act Amendments of 1939, approved Aug. 10, 1939 (53 Stat. 1362). For further details see annual report of the Secretary for 1940, p. 212]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Appropriations -----	\$11,335,169,014.11	\$1,690,295,704.58	\$13,025,464,718.69
Interest on investments -----	1,030,306,279.87	230,194,240.15	1,260,500,520.02
Transfers from general fund -----	1,075,000.00	3,279,400.00	4,354,400.00
Total receipts -----	12,366,550,293.98	1,923,769,344.73	14,290,319,638.71
Expenditures:			
Benefit payments and refunds -----	2,041,253,649.73	607,036,339.93	2,648,289,989.66
Reimbursements for administrative ex- penses under sec. 201 (f) of the Social Se- curity Act Amendments of 1939 -----	219,010,724.66	13,777,510.64	232,788,235.30
Salaries, Bureau of Old-Age and Survivors Insurance -----	59,969,761.70	39,322,364.47	99,292,126.17
Total expenditures -----	2,320,234,136.09	660,136,215.04	2,980,370,351.13
Balance -----	10,046,316,157.89	1,263,633,129.69	11,309,949,287.58

Footnotes at end of table.

TABLE 52.—*Federal old-age and survivors insurance trust fund, June 30, 1949—Con.*

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948 (principal cost)	Increase, or decrease (—), fiscal year 1949	June 30, 1949	
			Par value	Principal cost
Investments:				
Special Treasury certificates of indebtedness:				
2½% maturing June 30, 1949	\$7,709,000,000.00	—\$7,709,000,000.00		
2½% maturing June 30, 1950		9,003,000,000.00	\$9,003,000,000.00	\$9,003,000,000.00
Total special certi- ficates of indebted- ness	7,709,000,000.00	1,294,000,000.00	9,003,000,000.00	9,003,000,000.00
Treasury bonds:				
2½% of 1959-62 (dated June 1, 1945)	941,925.96		938,000.00	941,925.96
2½% of 1959-62 (dated Nov. 15, 1945)	3,281,048.91		3,267,000.00	3,281,048.91
2½% of 1962-67	58,909,070.33		58,650,000.00	58,909,070.33
2½% of 1963-68	116,777,993.79		116,480,000.00	116,777,993.79
2½% of 1964-69 (dated Apr. 15, 1943)	15,292,816.32		15,052,000.00	15,292,816.32
2½% of 1964-69 (dated Sept. 15, 1943)	68,823,709.13		68,602,000.00	68,823,709.13
2½% of 1965-70	¹ 456,062,334.34	—18,686.80	455,447,500.00	456,043,647.54
2½% of 1966-71	305,848,805.58		305,677,500.00	305,848,805.58
2½% of 1967-72 (dated June 1, 1945)	426,141,654.21	3,733,464.14	429,038,000.00	¹ 429,875,118.35
2½% of 1967-72 (dated Oct. 20, 1941)	125,493,633.36	—7,635,859.38	115,421,250.00	117,857,773.98
2½% of 1967-72 (dated Nov. 15, 1945)	650,206,264.89	3,812,051.03	652,564,000.00	¹ 654,018,315.92
Total Treasury bonds	2,227,779,256.82	—109,031.01	2,221,137,250.00	2,227,670,225.81
Total investments	9,936,779,256.82	1,293,890,968.99	11,224,137,250.00	11,230,670,225.81
Unexpended balances:				
To credit of disbursing offi- cers	² 74,282,765.33	—7,172,198.24		67,110,567.09
On books of the Division of Bookkeeping and War- rants	35,014,860.78	—22,605,430.88		² 12,409,429.90
On books of the Treasurer of the United States	³ 239,274.96	—480,210.18		—240,935.22
Total assets	10,046,316,157.89	1,263,633,129.69		11,309,949,287.58

¹ Revised to include \$365,000 of penalty mail costs.¹ Includes accrued interest purchased on investments.² Includes unappropriated receipts of \$7,699.58; and excludes prior year repayments of \$4,882.05, and reflects a charge of \$10.00 adjusted on books of the Division of Bookkeeping and Warrants during 1950.³ Represents outstanding checks.

TABLE 53.—*Railroad retirement account, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust account was established in accordance with the provisions of sec. 15 (a) of the act of June 24, 1937 (50 Stat. 316). For further details see annual report of the Secretary for 1941, p. 148]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Appropriations	¹ \$2, 774, 552, 498. 50	\$626, 459, 000. 00	\$3, 401, 011, 498. 50
Interest on investments	125, 370, 617. 76	50, 942, 876. 72	176, 313, 494. 48
Total receipts	2, 899, 923, 116. 26	677, 401, 876. 72	3, 577, 324, 992. 98
Expenditures:			
Annuity payments and refunds	1, 500, 007, 703. 27	278, 202, 192. 04	1, 778, 209, 895. 31
Balance	1, 399, 915, 412. 99	399, 199, 684. 68	1, 799, 115, 097. 67

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
2% special Treasury notes, railroad retirement series, maturing:			
June 30, 1950	\$246, 500, 000. 00	—\$246, 500, 000. 00	—
June 30, 1951	315, 000, 000. 00	—28, 500, 000. 00	\$286, 500, 000. 00
June 30, 1952	778, 000, 000. 00	—	778, 000, 000. 00
June 30, 1953	35, 000, 000. 00	574, 000, 000. 00	609, 000, 000. 00
June 30, 1954	—	46, 500, 000. 00	46, 500, 000. 00
Total investments	1, 374, 500, 000. 00	345, 500, 000. 00	1, 720, 000, 000. 00
Unexpended balances:			
To credit of disbursing officers	² 23, 927, 515. 05	1, 955, 615. 30	25, 883, 130. 35
On books of the Division of Bookkeeping and Warrants	² 1, 521, 515. 75	51, 790, 457. 14	³ 53, 311, 972. 89
On books of the Treasurer of the United States	—33, 617. 81	—46, 387. 76	—80, 005. 57
Total assets	1, 399, 915, 412. 99	399, 199, 684. 68	1, 799, 115, 097. 67

¹ Revised.

² Appropriation reduced by amount of \$9,000,000 covering transfer for acquisition of service and compensation data, in accordance with Pub. Res. 102, approved Oct. 9, 1940.

³ Excludes July prior repayments of \$2,705.45.

⁴ Excludes July prior repayment of \$81.08.

TABLE 54.—*Unemployment trust fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund was established in accordance with the provisions of sec. 904 (a) of the Social Security Act of Aug. 14, 1935 (49 Stat. 640). For further details see annual report of the Secretary for 1941, p. 145.]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	State unemployment agencies			Railroad unemployment insurance account ¹			Total unemployment trust fund		
	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:									
Deposits.....	\$11,562,873,106.43	\$984,031,147.22	\$12,546,904,253.65	\$876,895,207.07	\$76,805.86	\$876,972,012.93	\$12,439,768,313.50	\$984,107,953.08	\$13,423,876,266.58
Transfers from State unemployment funds to railroad unemployment insurance account.....				107,160,768.89		107,160,768.89			107,160,768.89
Advance by the Secretary of the Treasury (July 5, 1939).....				15,000,000.00		15,000,000.00			15,000,000.00
Transfers from railroad unemployment insurance administration fund (act of Oct. 10, 1940).....				66,513,935.00	8,967,357.00	75,481,292.00	66,513,935.00	8,967,357.00	75,481,292.00
Subtotal.....	11,562,873,106.43	984,031,147.22	12,546,904,253.65	1,065,569,910.96	9,044,162.86	1,074,614,073.82	12,628,443,017.39	993,075,310.08	13,621,518,327.47
Interest on investments.....	875,409,278.54	159,975,282.58	1,035,384,561.12	80,882,216.53	20,125,080.02	101,007,296.55	957,291,935.07	180,100,362.60	1,137,391,857.67
Total receipts.....	12,439,282,384.97	1,144,006,429.80	13,583,288,814.77	1,146,452,127.49	29,169,242.88	1,175,621,370.37	13,585,734,312.46	1,173,175,672.68	14,758,910,185.14
Expenditures:									
Withdrawals by States.....	4,966,279,877.06	1,227,115,000.00	6,193,394,877.06				4,966,279,877.06	1,227,115,000.00	6,193,394,877.06
Transfers to railroad unemployment insurance account from State unemployment funds.....	107,160,768.89		107,160,768.89				107,160,768.89		107,160,768.89
Repayment of advance to the Secretary of the Treasury (January 1940).....				15,000,000.00		15,000,000.00			15,000,000.00
Subtotal.....	5,073,440,645.95	1,227,115,000.00	6,300,555,645.95	15,000,000.00		15,000,000.00	5,088,440,645.95	1,227,115,000.00	6,315,555,645.95
Railroad unemployment benefit payments and refunds.....				174,265,198.96	86,672,042.30	260,937,241.26	174,265,198.96	86,672,042.30	260,937,241.26
Total expenditures.....	5,073,440,645.95	1,227,115,000.00	6,300,555,645.95	189,265,198.96	86,672,042.30	275,937,241.26	5,262,705,844.91	1,313,787,042.30	6,576,492,887.21
Balance.....	7,365,841,739.02	-83,108,570.20	7,282,733,168.82	957,186,928.53	-57,502,799.42	899,684,129.11	8,323,028,667.55	-140,611,369.62	8,182,417,297.93

¹ Railroad Unemployment Insurance Act, approved June 25, 1935.

TABLE 54.—*Unemployment trust fund, June 30, 1949*

H. ASSETS HELD BY THE TREASURY DEPARTMENT

	June 30, 1948 (principal cost)	Increase, or decrease (—), fiscal year 1949	June 30, 1949	
			Par value	Principal cost
Investments:				
Special Treasury certificates of indebtedness, unemployment trust fund:				
2½% series maturing June 30, 1949	\$7,500,000,000.00	—\$7,500,000,000.00	-----	-----
2½% series maturing June 30, 1950	-----	7,340,000,000.00	\$7,340,000,000.00	\$7,310,000,000.00
Treasury bonds:				
2¼% of 1959-62 (dated Nov. 15, 1945)	4,016,789.05	—1,297.51	4,000,000.00	4,015,491.54
2½% of 1962-67	51,026,493.04	—1,659.23	51,000,000.00	51,024,833.81
2½% of 1963-68	56,347,648.71	—18,857.23	56,000,000.00	56,328,791.48
2½% of 1964-69 (dated Apr. 15, 1943)	29,168,210.39	—8,766.12	29,000,000.00	29,159,444.27
2½% of 1964-69 (dated Sept. 15, 1943)	7,127,038.45	—6,376.09	7,000,000.00	7,120,662.36
2½% of 1965-70	153,054,090.25	—2,643.18	153,000,000.00	153,051,447.07
2½% of 1966-71	152,035,442.91	—1,594.24	152,000,000.00	152,033,848.67
2½% of 1967-72 (dated June 1, 1945)	161,109,222.75	—4,583.26	161,000,000.00	161,104,639.49
2½% to 1967-72 (dated Oct. 20, 1941)	7,246,144.69	—10,149.49	7,000,000.00	7,235,995.20
2½% of 1967-72 (dated Nov. 15, 1945)	177,267,542.70	—10,866.25	177,000,000.00	177,256,676.45
Total investment	8,298,398,622.94	—160,066,792.60	8,137,000,000.00	8,138,331,830.34
Unexpended balances:				
Cash with the Treasurer of the United States	18,145,243.57	23,250,668.26	-----	41,395,911.83
To credit of disbursing officers	6,484,801.04	—3,795,215.28	-----	2,689,585.76
Total assets	8,323,028,667.55	—140,611,369.62	-----	8,182,117,297.93

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1949, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

States	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1949
Alabama	\$122,523,669.06	\$9,396,091.49	\$70,625,000.00	\$61,294,763.55
Alaska	14,423,070.53	1,165,422.17	5,585,378.48	10,003,114.22
Arizona	38,154,771.78	2,984,543.20	13,012,234.97	28,127,080.01
Arkansas	58,567,966.26	4,573,026.51	25,642,846.36	37,498,146.41
California	1,403,259,929.43	100,411,157.48	878,065,279.44	625,605,807.47
Colorado	65,934,283.22	6,171,416.28	17,777,040.19	54,328,659.31
Connecticut	260,676,000.00	26,158,401.03	112,321,996.24	174,512,404.79
Delaware	21,115,000.20	2,531,354.55	8,592,069.51	15,054,285.24
District of Columbia	57,828,619.83	7,767,271.84	20,627,229.25	44,968,662.42
Florida	113,992,820.77	8,633,974.07	48,312,550.60	74,314,244.24
Georgia	138,442,192.82	12,805,290.94	49,338,698.83	101,908,784.93
Hawaii	25,245,484.27	3,108,258.82	5,176,881.25	23,176,861.84
Idaho	34,625,097.27	2,454,251.49	12,657,013.78	24,422,334.98
Illinois	839,709,013.81	81,602,384.97	418,064,013.81	503,247,384.97
Indiana	291,440,970.81	27,056,182.22	128,794,592.27	189,702,560.76
Iowa	111,737,953.54	10,027,045.00	33,694,841.32	88,070,157.22
Kansas	88,840,499.59	7,968,109.47	33,736,509.23	63,012,099.83
Kentucky	147,321,000.00	14,902,503.46	46,277,978.21	115,945,525.25
Louisiana	157,225,000.00	11,597,834.65	68,057,139.06	100,765,695.59
Maine	73,308,500.00	5,051,068.22	37,942,337.04	40,417,231.18
Maryland	209,596,000.00	16,928,459.62	102,970,347.37	123,524,112.25
Massachusetts	440,213,000.00	33,938,304.33	331,912,725.57	142,238,578.76
Michigan	690,798,556.38	40,066,505.32	436,581,485.64	294,283,576.06
Minnesota	181,967,807.29	14,228,366.58	73,130,982.32	123,065,191.55
Mississippi	59,121,978.76	4,235,226.07	19,852,412.60	43,504,792.23
Missouri	266,042,668.20	25,778,472.15	108,075,464.25	183,745,676.10
Montana	40,602,497.20	3,200,681.66	14,367,957.77	29,435,221.09
Nebraska	43,032,135.90	4,371,031.71	13,451,585.10	33,951,582.51

TABLE 54.—*Unemployment trust fund, June 30, 1949—Continued*

III. AMOUNTS OF UNEMPLOYMENT TRUST FUND, CUMULATIVE TO JUNE 30, 1949, CREDITED TO THE ACCOUNT OF EACH STATE AGENCY AND TO THE RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT—Continued

States	Total deposits	Net earnings credited to account	Total withdrawals from account	Balance June 30, 1949
Nevada.....	\$19,083,820.17	\$1,496,499.04	\$7,346,734.46	\$13,233,584.75
New Hampshire.....	43,451,168.01	3,676,225.18	23,150,106.20	23,977,286.99
New Jersey.....	767,101,500.00	67,186,089.09	390,623,521.02	443,664,068.07
New Mexico.....	24,705,000.00	1,867,020.27	6,569,544.78	20,002,475.49
New York.....	2,007,232,422.29	140,111,811.67	1,203,620,977.24	943,723,256.72
North Carolina.....	192,209,000.00	17,042,297.42	55,173,334.43	154,077,962.99
North Dakota.....	11,887,146.19	973,300.17	4,202,479.75	8,657,966.61
Ohio.....	703,348,574.72	78,106,268.60	227,464,005.70	553,990,837.62
Oklahoma.....	82,876,000.00	7,270,422.11	42,894,133.15	47,252,288.96
Oregon.....	136,458,901.69	9,797,195.69	64,214,892.41	82,041,204.97
Pennsylvania.....	1,034,525,000.00	89,385,375.08	501,248,998.97	622,661,376.11
Rhode Island.....	145,035,727.95	9,427,371.32	122,600,673.54	31,862,425.73
South Carolina.....	70,874,000.00	6,594,020.98	25,275,743.96	52,192,277.02
South Dakota.....	10,949,400.00	1,242,314.11	2,914,304.23	9,277,409.88
Tennessee.....	170,633,500.00	12,170,623.28	82,581,440.15	100,222,683.13
Texas.....	266,120,000.00	25,915,408.85	83,207,030.42	208,828,378.43
Utah.....	50,565,367.70	3,796,076.39	21,881,976.36	32,479,467.73
Vermont.....	22,966,324.24	2,022,649.87	9,217,074.06	15,771,900.05
Virginia.....	119,777,000.00	10,839,997.29	48,338,850.22	82,278,147.07
Washington.....	270,020,602.61	19,211,621.71	143,023,178.53	146,209,045.79
West Virginia.....	137,671,467.76	10,873,475.58	58,851,586.39	89,693,356.95
Wisconsin.....	248,991,599.80	29,339,254.34	59,973,429.67	218,357,424.47
Wyoming.....	16,449,532.77	1,381,869.58	5,567,039.85	12,264,362.50
Total.....	12,548,649,542.82	1,038,839,825.92	6,324,645,645.95	7,262,843,722.79
Adjustments to daily Treasury statement basis:				
Deposits not cleared by the Treasurer of the United States.....	-1,745,289.17	-----	-----	-1,745,289.17
Outstanding checks.....			-24,090,000.00	24,090,000.00
Accrued interest credited to State account.....		-2,455,264.80	-----	-2,455,264.80
Total, on basis of daily Treasury statements.....	12,546,904,253.65	1,036,384,561.12	6,300,555,645.95	7,282,733,168.82
Railroad unemployment insurance account:				
Deposits of Railroad Retirement Board.....	876,972,012.93	-----	-----	876,972,012.93
Transfers from State unemployment funds.....	107,160,768.89	-----	-----	107,160,768.89
Interest on investments.....		101,310,046.87	-----	101,310,046.87
Transfers to chief disbursing officer.....		-----	263,626,797.02	-263,626,797.02
Appropriation advance and repayment.....	15,000,000.00	-----	15,000,000.00	-----
Transfers from administration fund.....	75,481,292.00	-----	-----	75,481,292.00
Total.....	1,074,614,073.82	101,310,046.87	278,626,797.02	897,297,323.67
Adjustments to daily Treasury statement basis:				
Accrued interest credited to insurance account.....		-302,750.32	-----	-302,750.32
Cash with disbursing officers.....		-----	-2,689,555.76	2,689,555.76
Total, on basis of daily Treasury statements.....	1,074,614,073.82	101,007,296.55	275,937,241.26	899,684,129.11
Total, unemployment trust fund, as shown in the daily Treasury statement.....	13,621,518,327.47	1,137,391,857.67	6,576,492,887.21	8,182,417,297.93

TABLE 55.—*Foreign service retirement and disability fund, June 30, 1949*

[On basis of daily Treasury statements, see p. 351. This trust fund was established in accordance with the provisions of sec. 18 of the act of May 24, 1924 (43 Stat. 144). For further details see annual report of the Secretary for 1941, p. 138]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
On account of deductions from basic compensation and service credit payments of employees subject to retirement act	\$5,659,999.65	\$751,682.48	\$6,411,682.13
Appropriations	10,346,900.00	2,150,000.00	12,496,900.00
Interest and profits on investments	3,589,317.02	560,337.10	4,149,654.12
Total receipts	19,596,216.67	3,462,019.58	23,058,236.25
Expenditures:			
Annuity payments and refunds	7,384,112.02	1,116,891.94	8,501,003.96
Balance	12,212,104.65	2,345,127.64	14,557,232.29

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
4% special Treasury notes, foreign service retirement fund series, maturing:			
June 30, 1949	\$1,639,000.00	—\$1,639,000.00	—
June 30, 1950	2,422,000.00	—	\$2,422,000.00
June 30, 1951	2,371,000.00	—	2,371,000.00
June 30, 1952	3,680,000.00	—	3,680,000.00
June 30, 1953	1,790,000.00	2,219,000.00	4,009,000.00
June 30, 1954	—	1,746,000.00	1,746,000.00
3% special Treasury notes, foreign service retirement fund series, maturing:			
June 30, 1949	6,000.00	—6,000.00	—
June 30, 1950	44,000.00	—	44,000.00
June 30, 1951	31,000.00	—	31,000.00
June 30, 1952	94,000.00	—	94,000.00
June 30, 1953	10,000.00	77,500.00	87,500.00
June 30, 1954	—	12,500.00	12,500.00
Total investments	12,087,000.00	2,410,000.00	14,497,000.00
Unexpended balances:			
To credit of disbursing officers	19,656.33	14,095.44	33,751.77
On books of the Division of Bookkeeping and Warrants	127,280.08	—2,793.42	124,486.66
On books of the Treasurer of the United States ³	78,168.24	—76,174.38	1,993.86
Total assets	12,212,104.65	2,345,127.64	14,557,232.29

¹ Revised.

² Excludes adjustment warrants totaling \$320.67 and includes transfer and counter warrant for \$106.58.

³ Excludes \$306.72 representing July prior deposits appropriated as of June 30, 1949.

⁴ Represents outstanding checks.

TABLE 56.—*Library of Congress trust fund, June 30, 1949*

[This trust fund was established in accordance with the provisions of the act of Mar. 3, 1925 (43 Stat. 1107). For further details see annual report of the Secretary for 1941, p. 149]

I. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD¹

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Securities:			
<i>R. R. Bowker donation</i>			
7% German external loan bonds, German Government.....	\$2,000.00	-----	\$2,000.00
6½% sinking fund gold bonds, Japanese Government.....	2,000.00	-----	2,000.00
48 shares, common stock, American Telephone & Telegraph Co.....	4,800.00	-----	4,800.00
<i>Elizabeth Sprague Coolidge donation</i>			
496 shares, common stock, Commonwealth Edison Co.....	12,400.00	-----	12,400.00
<i>Joseph Pennell donation</i>			
4% general consolidated mortgage gold bonds, Lehigh Valley R. R. Co.....	5,000.00	-----	5,000.00
6% secured gold note, National Railways of Mexico.....	45.00	-----	45.00
4½% prior lien gold bonds, National Railways of Mexico.....	3,000.00	-----	3,000.00
5% consolidated mortgage bonds, Pennsylvania and New York Canal and R. R. Co.....	1,000.00	-----	1,000.00
5% sinking fund gold bonds, Philadelphia and Reading Coal and Iron Co.....	735.00	-----	735.00
54 shares, common stock, Pittsburgh Consolidation Coal Co.....	54.00	-----	54.00
Rights to interest in arrears, United States of Mexico.....	429.30	-----	429.30
Rights to interest in arrears, United States of Mexico.....	810.00	-----	810.00
134 shares, common stock, Pennsylvania R. R. Co.....	6,700.00	-----	6,700.00
105 shares, common stock, Westmoreland Coal Co.....	2,100.00	-----	2,100.00
Common stock, Westmoreland, Inc.....	1,050.00	-----	1,050.00
Temporary certificate for 20 shares common stock, Philadelphia & Reading Coal & Iron Co. (New Co.).....	20.00	-----	20.00
Total securities ¹	42,143.30	-----	42,143.30
Real estate:			
<i>Pennell donation</i>			
Real estate, (book value):			
Pine St., Philadelphia, Pa.....	13,496.65	—\$13,496.65	-----
Total real estate.....	13,496.65	—13,496.65	-----
Unexpended balances on books of the Division of Book-keeping and Warrants:			
Permanent loan fund:			
Babine.....	6,684.74	-----	6,684.74
Beethoven.....	12,088.13	-----	12,088.13
Benjamin.....	83,083.31	-----	83,083.31
Bowker.....	1,355.66	52.50	1,408.16
Carnegie.....	93,307.98	-----	93,307.98
Coolidge.....	150,569.05	-----	150,569.05
Louis C. Elson memorial fund.....	12,585.03	-----	12,585.03

Footnotes at end of table.

TABLE 56.—*Library of Congress trust fund, June 30, 1949—Continued*

I. ASSETS HELD BY THE TREASURY DEPARTMENT AND CERTAIN FEDERAL RESERVE BANKS, SUBJECT TO THE ORDER OF THE SECRETARY OF THE TREASURY, FOR ACCOUNT OF THE LIBRARY OF CONGRESS TRUST FUND BOARD 1—Continued

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Unexpended balances on books of the Division of Book-keeping and Warrants—Continued			
Permanent loan fund—Continued			
Friends of Music in the Library of Congress.....	\$5,509.09	-----	\$5,509.09
Guggenheim.....	90,654.22	-----	90,654.22
Huntington.....	162,052.26	-----	162,052.26
Longworth.....	7,691.59	\$1,000.00	8,691.59
Miller.....	20,548.18	-----	20,548.18
Pennell.....	278,266.73	11,177.44	289,444.17
Porter.....	290,500.00	-----	290,500.00
Whittall.....	609,444.15	-----	609,444.15
Wilbur.....	305,813.57	-----	305,813.57
Total permanent loan fund.....	2,130,153.69	12,229.94	2,142,383.63
Total assets.....	2,185,793.64	—1,266.71	2,184,526.93

II. LIBRARY OF CONGRESS TRUST FUND EARNINGS TO JUNE 30, 1949

Donation	Cumulative through June 30, 1948	Fiscal Year 1949	Cumulative through June 30, 1949
Income account, securities, real estate, etc.			
Babine.....	\$1,785.58	-----	\$1,785.58
Beethoven.....	4,429.73	-----	4,429.73
Benjamin.....	49,744.50	-----	49,744.50
Bowker.....	4,535.36	\$432.00	4,967.36
Carnegie.....	37,838.36	-----	37,838.36
Coolidge.....	113,900.63	731.60	114,632.23
Friends of Music in the Library of Congress.....	318.22	-----	318.22
Guggenheim.....	32,759.36	-----	32,759.36
Huntington.....	171,446.60	2 10,092.96	181,539.56
Longworth.....	757.02	-----	757.02
Miller.....	412.50	-----	412.50
Pennell.....	78,437.38	2,056.99	80,494.37
Porter.....	25,369.03	-----	25,369.03
Wilbur.....	107,345.09	-----	107,345.09
Total.....	629,079.36	13,313.55	642,392.91
Income account, permanent loan fund			
Babine.....	\$2,935.85	\$267.40	\$3,203.25
Beethoven.....	4,784.86	483.52	5,268.38
Benjamin.....	3,108.47	3,323.34	6,431.81
Bowker.....	340.33	54.32	394.65
Carnegie.....	38,451.70	3,732.32	42,184.02
Coolidge.....	48,362.99	6,022.76	54,385.75
Louis C. Elson memorial fund.....	1,582.51	503.40	2,085.91
Friends of Music in the Library of Congress.....	1,042.73	220.36	1,263.09
Guggenheim.....	35,903.54	3,626.16	39,529.70
Huntington.....	54,855.64	6,482.10	61,337.74
Longworth.....	3,375.97	313.29	3,689.26
Miller.....	2,858.49	821.92	3,680.41
Pennell.....	89,736.66	11,419.04	101,155.70
Porter.....	22,128.04	11,620.00	33,748.04
Whittall.....	138,789.55	24,377.76	163,167.31
Wilbur.....	129,806.80	12,232.56	142,039.36
Total.....	578,064.13	85,500.25	663,564.38
Grand total.....	1,207,143.49	98,813.80	1,305,957.29

¹ Does not include securities held as investments for Huntington donation under deed of trust dated Nov. 17, 1936, administered by designated trustees, including Bank of New York.² Includes income under deed of trust dated Nov. 17, 1936; administered by designated trustees, including Bank of New York.

TABLE 57.—*Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended—Assets held by the Treasury Department, June 30, 1949*¹

[This trust fund was established in accordance with the provisions of the act of Mar. 4, 1927 (44 Stat. 1444). For further details see annual report of the Secretary for 1941, p. 141]

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949	
Investments:				
Government securities:				
Treasury bonds:	<i>Principal cost</i>		<i>Par value</i>	<i>Principal cost</i>
2% of 1948-50 (dated Dec. 8, 1939) ..	\$10,000.00	—\$10,000.00		
3% of 1951-55 ..	9,959.38		\$10,000.00	\$9,959.38
2½% of 1952-54 ..	35,000.00		35,000.00	35,000.00
2½% of 1955-60 ..	14,920.25		14,800.00	14,920.25
2½% of 1956-59 ..	14,976.20		14,850.00	14,976.20
2½% of 1958-63 ..	15,936.38		15,600.00	15,936.38
2½% of 1960-65 ..	14,985.94		13,900.00	14,985.94
2½% of 1962-67 ..	23,000.00		23,000.00	23,000.00
2½% of 1964-69 (dated Apr. 15, 1943)	11,500.00		11,500.00	11,500.00
2½% of 1967-72 (dated Nov. 15, 1945) ..	60,000.00		60,000.00	60,000.00
United States savings bonds, 2½%				
Series G ..	193,000.00	10,000.00	203,000.00	203,000.00
Total investments ..	403,278.15		401,650.00	403,278.15
Unexpended balances:				
To credit of disbursing officers ..	87,926.91	—11,277.76		76,649.15
On books of the Division of Bookkeeping and Warrants ..	87,322.05	38,232.64		125,554.69
Total assets ..	578,527.11	26,954.88		605,481.99

^r Revised.

¹ Formerly, longshoremen's and harbor workers' compensation fund.

TABLE 58.—*National Archives gift fund, June 30, 1949*

[This trust fund was established in accordance with the provisions of the National Archives Trust Fund Board Act of July 9, 1941 (55 Stat. 581)]

I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Donations:			
Mr. and Mrs. Hall Clovis ..	\$30,000.00		\$30,000.00
Miscellaneous ..	3,500.00	\$19,084.30	22,584.30
Total receipts ..	33,500.00	19,084.30	52,584.30
Expenditures ..	33,500.00	1,817.23	35,317.23
Balance ..		17,267.07	17,267.07

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Fiscal year 1949	June 30, 1949
Unexpended balances:			
To credit of disbursing officer ..		\$14,536.01	\$14,536.01
On books of the Division of Bookkeeping and Warrants ..		2,731.06	2,731.06
Total assets ..		17,267.07	17,267.07

TABLE 59.—*National Cancer Institute gift fund, June 30, 1949*

[This trust fund was established under sec. 6 of the National Cancer Institute Act of Aug. 5, 1937 (50 Stat. 561). For further details see annual report of the Secretary for 1941, p. 152]

CONDITIONAL GIFT FUND¹

RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Donations:			
American Society for the Control of Cancer.....	\$120.00	-----	\$120.00
R. R. Spencer.....	300.00	-----	300.00
Total receipts.....	420.00	-----	420.00
Expenditures (warrants-issued basis).....	420.00	-----	420.00
Balance.....		-----	

¹ No assets were held by the Treasury Department on June 30, 1948 and 1949.

UNCONDITIONAL GIFT FUND

I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Donation by Lt. Col. Stanley C. Ramsden.....	\$100.00	-----	\$100.00
Miscellaneous.....	2,425.81	\$1,402.54	3,828.35
Total receipts.....	2,525.81	1,402.54	3,928.35
Expenditures (warrants-issued basis).....	1,307.50	-----	1,307.50
Balance.....	1,218.31	1,402.54	2,620.85

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, fiscal year 1949	June 30, 1949
Unexpended balance on books of the Division of Book- keeping and Warrants.....	\$1,218.31	\$1,402.54	\$2,620.85

TABLE 60.—*National Institute of Health gift fund, June 30, 1949*

[This trust fund was established in accordance with the provisions of the act of May 26, 1930 (46 Stat. 379). For further details see annual report of the Secretary for 1941, p. 152]

CONDITIONAL GIFT FUND

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Donations:			
American Dental Association	\$38,000.00	\$10,000.00	\$48,000.00
Chemical Foundation	100,000.00		100,000.00
Corn Industries Research Foundation	25,000.00		25,000.00
Josiah Macy, Jr., Foundation	5,600.00		5,600.00
Rockefeller Foundation	22,000.00		22,000.00
The National Foundation for Infantile Paralysis, Inc.	25,800.00		25,800.00
Total	216,400.00	10,000.00	226,400.00
Earnings on investments (Chemical Foundation) ..	56,549.18	2,150.00	58,699.18
Total receipts	272,949.18	12,150.00	285,099.18
Expenditures (warrants-issued basis):			
Advances to disbursing officers to meet expenditures on account of the Institute:			
American Dental Association	37,000.00	11,000.00	48,000.00
Chemical Foundation	67,363.26	500.00	67,863.26
Corn Industries Research Foundation	24,413.10	586.90	25,000.00
Josiah Macy, Jr., Foundation	5,600.00		5,600.00
Rockefeller Foundation:			
Dental survey	15,000.00		15,000.00
County health work	7,000.00		7,000.00
The National Foundation for Infantile Paralysis, Inc.	23,734.35	2,065.65	25,800.00
Total expenditures	180,110.71	14,152.55	194,263.26
Balance	92,838.47	2,002.55	90,835.92

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
2½% Treasury bonds of 1967-72 (dated June 1, 1945) ..	\$86,000.00		\$86,000.00
Total	86,000.00		86,000.00
Unexpended balance on books of the Division of Book-keeping and Warrants:			
American Dental Association	1,000.00	—\$1,000.00	
Chemical Foundation	3,185.92	1,650.00	4,835.92
Corn Industries Research Foundation	586.90	—586.90	
The National Foundation for Infantile Paralysis, Inc.	2,065.65	—2,065.65	
Total unexpended balance	6,838.47	—2,002.55	4,835.92
Total assets	92,838.47	—2,002.55	90,835.92

TABLE 60.—*National Institute of Health gift fund, June 30, 1949—Continued*

UNCONDITIONAL GIFT FUND

I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Donations:			
E. D. Crossman.....	\$900.00		\$900.00
National Merchant Marine Association.....	296.78		296.78
Valentine Perry Snyder.....	100.00		100.00
Miscellaneous.....	62.00	\$2,718.08	2,780.08
Total receipts.....	1,358.78	2,718.08	4,076.86
Expenditures.....			
Balance.....	1,358.78	2,718.08	4,076.86

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, fiscal year 1949	June 30, 1949
Unexpended balance on books of the Division of Book-keeping and Warrants.....	\$1,358.78	\$2,718.08	\$4,076.86

TABLE 61.—*National park trust fund, June 30, 1949*

[This trust fund was established in accordance with the provisions of the act of July 10, 1935 (49 Stat. 477).
For further details see annual report of the Secretary for 1941, p. 153]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Donations:			
Victor C. Cahalane.....	\$33.54		\$33.54
Alexander Korda Productions.....	250.00		250.00
Kodak Hawaii, Ltd.....	202.50		202.50
Frank Lloyd Productions, Inc.....	150.00		150.00
Loew's, Inc.....	1,200.00		1,200.00
Metro-Goldwyn-Mayer Distributing Corp.....	50.00		50.00
Metro-Goldwyn-Mayer Corp.....	3,000.00		3,000.00
Metro-Goldwyn-Mayer Pictures.....	5,000.00		5,000.00
Newton B. Drury.....	50.00		50.00
Paramount Pictures, Inc.....	304.00		304.00
R. K. O. Radio Pictures, Inc.....	200.00		200.00
Time, Inc.....	10.00		10.00
Twentieth Century Fox Film Corp.....	1,750.00		1,750.00
Twentieth Century Fox Studios.....	50.00		50.00
Universal Pictures Corp.....	3,200.00		3,200.00
Vanguard Pictures Corp.....	50.00		50.00
Walter Wanger Productions, Inc.....	900.00		900.00
Warner Bros. Pictures, Inc.....	1,200.00		1,200.00
Total.....	17,600.04		17,600.04
Interest earned on investments.....	4,933.95	\$500.75	5,434.70
Total receipts.....	22,533.99	500.75	23,034.74
Expenditures.....	13,800.00		3,800.00
Balance.....	18,733.99	500.75	19,234.74

Footnotes at end of table.

TABLE 61.—*National park trust fund, June 30, 1949—Continued*

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
Treasury bonds:			
2½% of 1952-54	\$1,700.00		\$1,700.00
27½% of 1955-60	¹ 14,548.54		14,548.54
2½% of 1967-72 (dated Oct. 20, 1941)	1,000.00		1,000.00
2½% of 1963-68	1,000.00		1,000.00
Total investments	18,248.54		18,248.54
Unexpended balances:			
To credit of disbursing officer	^r 200.00	\$737.88	937.88
On books of the Division of Bookkeeping and Warrants	285.45	—237.13	48.32
Total assets	^r 18,733.99	500.75	19,234.74

^r Revised.¹ Par value \$14,200.TABLE 62.—*National service life insurance fund, June 30, 1949*

On basis of daily Treasury statements, see p. 351. This trust fund was established pursuant to title VI of Public No. 801, approved Oct. 8, 1940 (54 Stat. 1012). For further details see annual report of the Secretary for 1941, p. 143]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Premiums and other receipts	\$3,813,187,910.41	¹ \$392,782,777.95	\$4,205,970,688.36
Interest and profits on investments	579,295,081.37	210,289,645.90	789,584,727.27
Transfers from general fund	² 3,600,299,065.84	86,978,987.20	3,687,278,053.04
Total receipts	7,992,782,057.62	¹ 690,051,411.05	8,682,833,468.67
Expenditures:			
Benefit payments and refunds	³ 1,027,455,051.78	⁴ 348,070,362.03	1,375,525,413.81
Items in transit		+619,139.81	+619,139.81
Total	1,027,455,051.78	348,689,501.84	1,376,144,553.62
Balance	³ 6,965,327,005.84	341,361,909.21	7,306,688,915.05

Footnotes at end of table.

TABLE 62.—*National service life insurance fund, June 30, 1949—Continued*

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
3% special Treasury notes, national service life insurance fund series, maturing:			
June 30, 1949	\$1,901,000,000.00	—\$1,901,000,000.00	
June 30, 1950	2,044,500,000.00		\$2,044,500,000.00
June 30, 1951	1,223,000,000.00		1,223,000,000.00
June 30, 1952	745,485,000.00		745,485,000.00
June 30, 1953	1,020,700,000.00	138,000,000.00	1,158,700,000.00
June 30, 1954		2,116,000,000.00	2,116,000,000.00
Total investments	6,934,685,000.00	353,000,000.00	7,287,685,000.00
Unexpended balance:			
To credit of disbursing officers	\$ 30,642,005.84	—11,638,090.79	19,003,915.05
Total assets	\$ 6,965,327,005.84	341,361,909.21	7,306,688,915.05

¹ Includes \$124.63 representing fiscal year 1949 transactions adjusted in the daily Treasury statement in the fiscal year 1950.

² There has been appropriated through June 30, 1949, the amount of \$3,853,482,000 available to Veterans' Administration for transfer, in accordance with provisions of the National Service Life Insurance Act of 1940.

³ Adjusted by \$2,204,807.82 representing reclassification of an expenditure of Aug. 9, 1946.

⁴ Includes \$61,568.66 representing fiscal year 1949 transactions adjusted in the daily Treasury statement in December 1949.

TABLE 63.—*Pershing Hall Memorial fund, June 30, 1949*

[This special fund was established in accordance with the provisions of the act of June 28, 1935 (49 Stat. 426). For further details see annual report of the Secretary for 1941, p. 155]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Appropriations	\$482,032.92		\$482,032.92
Interest and profits on investments	62,218.35	\$5,082.72	67,301.07
Total receipts	544,251.27	5,082.72	549,333.99
Expenditures:			
On account of current claims and expenses	288,629.70		288,629.70
On account of National Treasurer, American Legion	59,103.79	5,082.72	64,186.51
Total expenditures	347,733.49	5,082.72	352,816.21
Balance	196,517.78		196,517.78

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
23½% Treasury bonds of 1951-54 (par value \$191,300)	\$191,954.18	¹ —\$218.04	\$191,736.14
2½% United States savings bonds, Series G	1,600.00		1,600.00
Total investments	193,554.18	—218.04	193,336.14
Unexpended balances:			
To credit of disbursing officer	2,541.36		2,541.36
On books of Division of Bookkeeping and Warrants	422.24	218.04	640.28
Total assets	196,517.78		196,517.78

¹ Represents amortization of premium on bonds, in order to adjust fund earnings payable to American Legion, Inc.

TABLE 64.—*United States Government life insurance fund—Investments, June 30, 1949*

[This trust fund was established in accordance with the provisions of the act of June 7, 1924 (43 Stat. 607). For further details see annual report of the Secretary for 1941, p. 142]

	June 30, 1948	Increase, or decrease (—), fiscal year 1949	June 30, 1949
Investments:			
Government securities:			
Special Treasury certificates of indebted-			
ness, 3½% maturing June 30:			
1949.....	\$1,286,500,000.00	—\$1,286,500,000.00	-----
1950.....		1,318,000,000.00	\$1,318,000,000.00
Total investments.....	1,286,500,000.00	31,500,000.00	1,318,000,000.00
Policy loans outstanding ¹	115,913,484.36	6,139,851.92	122,053,336.28
Total investments in fund.....	1,402,413,484.36	37,639,851.92	1,440,053,336.28

¹ Includes interest accrued to anniversary dates of loans.

TABLE 65.—*United States Naval Academy general gift fund, June 30, 1949*

[This trust fund was established in accordance with the act of Mar. 31, 1944 (58 Stat. 135)]

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	June 30, 1948	Fiscal year 1949	June 30, 1949
Receipts:			
Bequests:			
Dudley F. Wolfe.....	\$85,938.72	-----	\$85,938.72
Joseph C. Grew.....	100.00	-----	100.00
Perry Belmont.....	100.00	-----	100.00
Miscellaneous.....		\$100.00	100.00
Earnings on investments.....	7,905.23	2,125.00	10,030.23
Total receipts.....	94,043.95	2,225.00	96,268.95
Expenditures.....	5,649.71	—721.30	6,371.01
Balance.....	88,394.24	1,503.70	89,897.94

II. ASSETS HELD BY THE TREASURY DEPARTMENT

Assets	June 30, 1948	Increase, fiscal year 1949	June 30, 1949
Investments:			
2½% Treasury bonds of 1965-70.....	\$85,000.00	-----	\$85,000.00
Total investments.....	85,000.00	-----	85,000.00
Unexpended balance on books of the Division of Book-			
keeping and Warrants.....	3,394.24	\$1,503.70	4,897.94
Total assets.....	88,394.24	1,503.70	89,897.94

CORPORATIONS AND CERTAIN OTHER BUSINESS-TYPE ACTIVITIES OF THE GOVERNMENT

TABLE 66.—*Borrowing power and outstanding issues of Government corporations and certain other business-type activities whose obligations are guaranteed by the United States or issued to the Secretary of the Treasury, June 30, 1949*

[In millions of dollars]

Corporation or activity	Borrowing power	Outstanding obligations			
		Total	Held by Treasury	Held by others ¹	
				Unmatured	Matured ²
I. Agencies issuing obligations for cash or in exchange for mortgages:					
Commodity Credit Corporation	\$4,750	\$1,680	\$1,669	\$11	-----
Economic Cooperation Administration	³ 1,122	782	782	-----	-----
Export-Import Bank of Washington	⁴ 2,500	914	914	-----	-----
Federal Deposit Insurance Corporation	3,000	-----	-----	-----	-----
Federal Farm Mortgage Corporation	500	2	1	-----	\$1
Home Owners' Loan Corporation	1,388	127	125	-----	2
Panama Railroad Company	⁵ 10	-----	-----	-----	-----
Public Housing Administration	⁶ 724	337	337	-----	(*)
Reconstruction Finance Corporation	⁷ 1,856	1,856	1,856	-----	-----
Rural Electrification Administration	⁸ 1,610	1,015	1,015	-----	-----
Secretary of Agriculture (Farmers' Home Administration)	⁹ 145	-----	-----	-----	-----
Secretary of the Army	150	100	100	-----	-----
Tennessee Valley Authority	52	52	52	-----	-----
Virgin Islands Corporation	¹⁰ 9	1	1	-----	-----
Subtotal.....	17,816	6,865	6,851	11	3
II. Agencies issuing obligations only in payment of defaulted and foreclosed insured mortgages:					
Federal Housing Administration	¹¹ 13,400	13	-----	13	-----
U. S. Maritime Commission	¹² 200	-----	-----	-----	-----
Subtotal.....	13,600	13	-----	13	-----
Total.....	31,416	6,878	6,851	24	3

* Less than \$500,000.

¹ Excludes matured interest, all agencies, in amount of \$0.4 million.

² Funds have been deposited with Treasurer of the United States for payment of all obligations guaranteed by the United States, representing outstanding matured principal of \$3 million and interest of \$0.4 million.

³ Unused note authorization amounts to \$122 million.

⁴ Authorized to issue obligations to Secretary of Treasury only.

⁵ Pursuant to Public Law 808, approved June 29, 1948, the Corporation is authorized to borrow from a fund maintained in the Treasury, "Special Account, Emergency Fund, Panama Railroad Company."

⁶ Net of repayments by borrowers to Public Housing Administration and net of retired bond issues of Home Owners' Loan Corporation, exclusive of refunding. This is a limitation on issues, and amount may be increased only by amount of issues for refunding purposes.

⁷ Corporation is authorized to issue to Secretary of the Treasury obligations in an amount outstanding at any one time sufficient to carry out its functions pursuant to amendment to the Reconstruction Finance Corporation Act, Public Law 132, approved June 30, 1947. See table 69.

⁸ Exclusive of \$500 million authorization for fiscal year 1950, Public Law 146, dated June 29, 1949, of which \$150 million is to be used only if Secretary of Agriculture certifies such amount is required during fiscal year 1950.

⁹ Secretary of Agriculture is authorized to issue notes, not guaranteed by United States as to principal and interest, to Secretary of the Treasury for all outstanding loans made by and undisbursed commitments authorized by R. F. C. at the close of June 30, 1947, pursuant to Public Law 266, approved July 30, 1947. All outstanding loans have been paid and the limit of borrowing authority includes \$42 million representing the amount of uncanceled notes and \$103 million pursuant to Public Law 146, dated June 29, 1949.

¹⁰ Pursuant to Public Law 149, dated June 30, 1949, Corporation is authorized to borrow from a revolving fund to be established from appropriations, and maintained in the Treasury. See also table 67, footnote 2.

¹¹ Represents \$13,200 million limit of authority to insure mortgages and \$200 million limit of liability on insured loans, which liability may be increased by amount of collections of insurance premiums and decreased by amount of claims paid. The authority to insure mortgages under title II may be increased by \$200 million upon approval of the President. Unused mortgage insurance authorizations on June 30, 1949, amounted to \$2,294 million. Debentures may be tendered and issued only in exchange for insured property acquired through foreclosure.

¹² Limit which may be outstanding at any one time with respect to the insuring of ship mortgages.

TABLE 67.—*Treasury holdings of obligations issued by Government corporations and other business-type activities, June 30, 1939-49*

[Face amount, in thousands of dollars]

Agency	June 30, 1939	June 30, 1940	June 30, 1941	June 30, 1942	June 30, 1943	June 30, 1944	June 30, 1945	June 30, 1946	June 30, 1947	June 30, 1948	June 30, 1949
Commodity Credit Corporation.....	10,000	25,000	140,000	400,000	1,950,000	900,000	1,591,000	1,301,000	510,000	440,000	1,669,000
Economic Cooperation Administration.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1,782,007
Export-Import Bank of Washington.....	-----	-----	-----	293,000	-----	366,000	108,000	13,000	516,200	970,600	913,500
Federal Farm Mortgage Corporation.....	-----	-----	-----	551,000	212,000	580,000	1,009,982	737,000	529,000	244,000	125,000
Home Owners' Loan Corporation.....	20,000	20,000	85,000	274,000	283,000	398,000	383,000	390,000	347,000	302,000	337,000
Public Housing Administration ¹	243,048	7,000	19,916	2,533,918	5,033,372	8,416,487	9,019,947	9,205,355	9,906,141	718,074	1,856,213
Reconstruction Finance Corporation.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	1,015,193
Rural Electrification Administration.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	100,000
Secretary of the Army.....	272	52,272	56,772	56,772	56,772	56,772	56,772	56,772	56,500	54,000	51,500
Tennessee Valley Authority.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	250	-----
The Virgin Islands Corporation ²	273,320	104,272	301,689	4,078,091	7,533,145	10,717,260	12,168,702	11,673,128	11,945,841	2,788,924	6,861,062
Total.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

NOTE.—Figures through 1942 on basis of Public Debt accounts, and for 1943 and subsequent years on basis of daily Treasury statements.

¹ Formerly United States Housing Authority. Executive Order 9070, of Feb. 24, 1942, transferred its functions to Federal Public Housing Authority. Federal Public Housing Authority was changed to Public Housing Administration by Reorganization Plan No. 3 of 1947.² Effective June 30, 1949, by terms of the act of June 30, 1949 (Public Law 149, 81st Cong.), the Virgin Islands Corporation was established, and the Virgin Islands Company was dissolved and its assets and liabilities were transferred to the Corporation.

TABLE 68.—Description of obligations issued by Government corporations and other business-type activities, June 30, 1949

[On basis of daily Treasury statements, see p. 351]

Title and authorizing act	Date of issue	Redemable (on and after)	Payable	Interest payable	Rate of interest	Principal amount
Commodity Credit Corporation, act of Mar. 8, 1938, as amended: Notes, 14th Series 1..... Interim notes, Series Two—1950 2.....	Various June 30, 1949.....	At any time do.....	On demand June 30, 1950.....	Dec. 31, June 30.....	Percent None 1/4.....	\$63,000,000.00 1,000,000,000.00 1,669,000,000.00
Economic Cooperation Administration, act of Apr. 3, 1948: Notes of Administrator..... Notes of Administrator..... Notes of Administrator.....	Various do..... do.....	do..... do..... do.....	June 30, 1984..... Apr. 3, 1964..... do.....	At any time by agreement. do..... do.....	17% 17% 2.....	781,996,988.91 136,299,997.14 782,007,122.34
Export-Import Bank of Washington, act of July 31, 1945, as amended: Notes, Series 1951..... Notes, Series 1959..... Notes, Series 1959.....	do..... do..... do.....	do..... do..... do.....	Dec. 31, 1951..... June 30, 1959..... do.....	June 30, Dec. 31..... do..... do.....	1..... 17% 2.....	516,200,000.00 382,800,000.00 14,900,000.00
Federal Farm Mortgage Corporation, act of Jan. 31, 1934, as amended: Bonds of 1949 2.....	June 29, 1949.....	do.....	Aug. 28, 1949.....	Aug. 28, 1949.....	1.....	500,000.00
Home Owners' Loan Corporation, act of June 13, 1933, as amended: Bonds, Series V 2.....	June 30, 1949.....	do.....	June 30, 1950.....	June 30, Dec. 31.....	1/4.....	125,000,000.00
Public Housing Administration, act of Sept. 1, 1937, as amended: Notes, Series O 1.....	June 30, 1948.....	do.....	June 30, 1953.....	do.....	17%.....	337,000,000.00
Reconstruction Finance Corporation, act of Jan. 22, 1932, as amended: Notes, Series AA..... Notes, Series AA..... Notes, Series CC.....	Various do..... do.....	do..... do..... do.....	July 1, 1952..... do..... On demand.....	Jan. 1, July 1..... do..... do.....	17% 2..... None.....	817,212,758.85 31,000,000.00 1,008,000,000.00
						1,856,212,758.85

Footnotes at end of table.

TABLE 68.—Description of Treasury holdings of obligations issued by Government corporations and other business-type activities, June 30, 1949—Continued

Title and authorizing act	Date of issue	Redeemable (on and after)	Payable	Interest payable	Rate of interest	Principal amount
Rural Electrification Administration, act of May 20, 1936, as amended: Notes of Administrator.....	Various.....	At any time.....	Various.....	Jan. 1, July 1.....	Percent..... 1½	\$1,015,192,569.09
Secretary of the Army, act of June 29, 1948: Note.....	Apr. 7, 1949.....	do.....	June 1, 1952.....	June 30, Sept. 30, Dec. 31, Mar. 31.....	1½	100,000,000.00
Tennessee Valley Authority, act of May 18, 1933, as amended: Bonds of 1943-51 2.....	Aug. 15, 1939.....	Aug. 15, 1943.....	Aug. 15, 1951.....	Aug. 15, Aug. 15.....	3½	5,000,000.00
Bonds of 1947-57 2.....	do.....	Aug. 15, 1947.....	Aug. 15, 1957.....	do.....	3½	15,000,000.00
Bonds of 1951-63 2.....	do.....	Aug. 15, 1951.....	Aug. 15, 1963.....	do.....	3½	15,000,000.00
Bonds of 1955-69 2.....	do.....	Aug. 15, 1955.....	Aug. 15, 1969.....	do.....	3½	16,500,000.00
Virgin Islands Corporation, The: 4						451,500,000.00
Note No. 1, act of July 30, 1947.....	Aug. 27, 1947.....	At any time.....	June 30, 1949.....	June 30.....	1½	250,000.00
Note No. 2, act of June 30, 1948.....	July 12, 1948.....	do.....	July 12, 1949.....	July 12.....	1½	100,000.00
Note No. 3, act of June 30, 1948.....	Aug. 23, 1948.....	do.....	Aug. 23, 1949.....	Aug. 23.....	1½	100,000.00
Note No. 4, act of June 30, 1948.....	Sept. 24, 1948.....	do.....	Sept. 24, 1949.....	Sept. 24.....	1½	100,000.00
Note No. 5, act of June 30, 1948.....	Dec. 23, 1948.....	do.....	Dec. 23, 1949.....	Dec. 23.....	1½	100,000.00
Note No. 6, act of June 30, 1948.....	Feb. 4, 1949.....	do.....	Feb. 4, 1950.....	Feb. 4.....	1½	100,000.00
Total.....						750,000.00
						6,851,062,450.28

¹ Guaranteed as to principal.² Guaranteed as to principal and interest.³ Interest is paid at the rate of 1 percent per annum while such bonds are held by the Treasury.⁴ Pursuant to Public Law 298, July 30, 1947, repayments of not less than \$2,500,000 must be made not later than June 30 of each calendar year.
⁵ See table 67, footnote 2.

TABLE 69.—*Transactions relating to Treasury holdings of obligations issued by Government corporations and other business-type activities, fiscal year 1949*

Agency and obligation	Treasury holdings June 30, 1948	Transactions during the fiscal year 1949			Treasury holdings June 30, 1949
		Advances by Treasury	Repayments and refunding	Cancellations	
Commodity Credit Corporation:					
Noninterest-bearing notes, 4th Series	\$440,000,000.00		\$277,000,000.00		\$163,000,000.00
14½% interim notes, Series One—1949		\$2,433,000,000.00	2,376,760,567.89	\$56,239,432.11	
14½% interim notes, Series Two—1950		1,506,000,000.00			1,506,000,000.00
Economic Cooperation Administration:					
17½% notes, due June 3, 1964		781,946,988.91			781,946,988.91
17½% notes, due April 3, 1964		2,392.19	2,255.90		136.29
Export-Import Bank of Washington:		9,997.14			9,997.14
17½% notes, Series 1951	516,200,000.00				516,200,000.00
17½% notes, Series 1959	454,400,000.00	172,800,000.00	244,400,000.00		382,800,000.00
Federal Farm Mortgage Corporation:		20,700,000.00	5,800,000.00		14,900,000.00
17% bonds of 1949					
Home Owners' Loan Corporation:		500,000.00			500,000.00
14½% bonds, Series U	244,000,000.00		244,000,000.00		
14½% bonds, Series V		125,000,000.00			125,000,000.00
Public Housing Administration:					
17½% notes, Series O	362,000,000.00		25,000,000.00		337,000,000.00
Reconstruction Finance Corporation:					
17½% notes, Series A		884,000,000.00	53,000,000.00	13,787,241.15	817,212,758.85
2½% notes, Series A		46,000,000.00	14,937,609.43	92,390.57	31,000,000.00
Noninterest-bearing note, Series CC		1,033,000,000.00	25,000,000.00		1,008,000,000.00
Rural Electrification Administration:					
17½% notes of administrator	718,074,354.98	315,000,000.00	17,881,785.89		1,015,192,569.09
Secretary of the Army:					
17½% note		100,000,000.00			100,000,000.00
Tennessee Valley Authority: 1					
13½% bonds of 1943-51	7,500,000.00		2,500,000.00		5,000,000.00
24½% bonds of 1947-57	15,000,000.00				15,000,000.00
24½% bonds of 1951-63	15,000,000.00				15,000,000.00
24½% bonds of 1955-69	16,500,000.00				16,500,000.00
Virgin Islands Corporation: 2					
17½% notes	250,000.00	500,000.00			750,000.00
Total	2,788,924,354.98	7,418,509,378.24	3,286,282,219.11	70,089,063.83	6,851,002,450.28

1 Interest rate of 1 percent per annum through Aug. 15, 1949. Interest rate at 2 percent per annum effective Aug. 16, 1949, subject to change from time to time as conditions may warrant, by authority of letter dated June 15, 1949, from the Fiscal Assistant Secretary of the Treasury to the Tennessee Valley Authority.

2 See table 67, footnote 2.

TABLE 70.—Comparative statement of the combined net investment of the United States with respect to Government corporations and certain other assets and liabilities pertaining to business-type activities, as of June 30, 1940-49

[In thousands of dollars. Classifications for 1944 and prior years have been reconstructed to conform to classifications prescribed in Budget-Treasury Regulation No. 31]

	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949
ASSETS										
Cash	411,808	376,369	402,508	1,703,294	618,304	700,775	1,351,216	1,792,484	1,042,253	513,840
Deposits with Govt. corps. and agencies	65,598	212,403	230,250	646,315	629,028	350,716	238,208	310,784	3,235	117,756
Loans receivable:										
Interagency	2,353,000	2,031,320	2,612,888	2,753,019	2,18,028,590	2,00,694,131	2,12,402,879	12,711,713	2,918,640	7,303,748
Others, less reserves	7,714,381	8,105,780	8,378,580	7,685,707	7,186,907	5,544,241	5,424,750	7,662,047	10,372,608	11,769,929
Accounts and other receivables:										
Interagency	19,204	37,034	68,044	150,343	573,028	1,570,161	1,680,201	872,405	211,222	1,224,344
Others, less reserves	385,071	480,368	643,162	1,320,784	1,335,077	914,485	979,116	804,641	279,545	243,545
Commodities, supplies, and materials, less reserves	(^e)	(^e)	(^e)	(^e)	(^e)	2,906,305	1,459,311	800,763	250,668	1,130,795
Investments:										
Public debt securities	547,752	802,293	940,320	1,345,394	1,525,100	1,679,497	1,767,187	1,777,276	1,083,575	2,003,643
Capital stock and paid-in surplus of Govt. corps.	1,339,000	1,540,741	1,603,741	632,741	637,741	639,010	444,131	444,422	190,500	200,500
Other interagency	934,640	901,396	945,610	745,228	353,895	11,335	8,582	1,709		
International Bank for Reconstruction and Development										
Government stock							158,750	635,000	635,000	635,000
International Monetary Fund—subscriptions	786,550	701,880	660,227	608,720	455,579	374,581	242,242	2,750,000	2,750,000	2,750,000
Other less securities	1,736,465	2,431,854	6,431,837	12,646,612	18,512,235	20,163,729	15,537,797	173,839	143,817	123,100
Land, structures, and equipment, less reserves	(^e)	(^e)	(^e)	(^e)	(^e)	(^e)	40,225	12,690,578	2,457,783	2,945,585
Acquired security or collateral, less reserves	(^e)	(^e)	(^e)	(^e)	(^e)	(^e)	(^e)	28,597	29,530	32,516
All other assets, less reserves	45,701	74,477	120,064	551,387	1,105,241	1,586,252	632,374	494,915	473,263	54,424
Contra interagency assets	\$ 740	\$ 1,324	\$ 9,072	\$ 115,478	\$ 1,437,180					
Total assets	13,564,910	15,097,474	25,946,310	40,905,009	53,200,203	56,817,000	\$ 42,345,726	44,006,994	723,443,798	\$ 31,138,124
LIABILITIES										
Accounts and other payables:										
Interagency	7,271	14,373	28,753	132,773	484,188	732,046	567,704	223,019	\$ 30,779	30,301
Others	\$ 52,663	\$ 54,059	\$ 39,566	\$ 35,458	\$ 20,954	1,099,520	1,272,217	395,849	\$ 184,467	303,753
Trust and deposit liabilities:										
Interagency	65,995	212,753	230,433	735,924	1,881,021	2,749,847	1,295,957	1,057,703	\$ 698,196	232,119
Others	(^e)	(^e)	(^e)	(^e)	(^e)	258,063	442,813	505,557	\$ 177,188	288,685
Bonds, debentures, and notes payable:										
To Secretary of the Treasury	104,272	301,689	4,078,691	7,519,145	10,716,260	12,168,702	11,672,128	11,945,841	2,788,924	6,069,055
Other interagency	1,188,368	1,616,027	3,379,807	5,970,603	8,208,225	8,500,764	7,599,304	767,580	124,715	505,687
Others	6,693,681	7,672,760	5,796,744	5,191,585	2,994,826	1,674,831	1,559,217	589,253	903,923	800,372
All other liabilities	1,009,443	1,388,774	3,053,389	5,450,453	5,620,016	2,803,949	2,477,787	1,143,647	825,820	894,528
Contra interagency liabilities	\$ 12,272	\$ 38,635	\$ 48,188	\$ 51,876	\$ 274,027					
Total liabilities	9,134,018	11,297,070	16,655,570	25,087,878	30,259,526	29,978,352	\$ 19,968,128	16,628,450	\$ 5,738,713	\$ 9,214,501

CAPITAL									
United States interest:									
Interagency.....	4 359,000	4 540,741	4 603,741	632,741	637,741	639,010	444,151	444,422	190,500
Other.....	3,666,978	3,435,684	8,249,474	14,804,281	21,859,790	25,741,337	21,451,391	26,463,196	7 21,550,871
Total United States interest.....	4,025,978	3,976,425	8,853,215	15,437,022	22,497,531	26,380,347	21,895,542	27,109,618	21,751,371
Private interest.....	404,913	423,980	437,525	440,109	443,146	458,901	452,056	208,926	172,253
Total capital.....	4,430,892	4,400,404	9,290,740	15,877,131	22,940,676	26,839,248	22,377,598	27,378,544	21,923,624
Total liabilities and capital.....	13,564,910	15,697,474	25,946,310	40,965,009	53,200,203	56,817,600	42,345,726	41,006,994	31,138,124

NOTE.—Prior to 1945, valuation reserves were reported as "other liabilities" rather than suspended credits to the respective asset accounts.

¹ Revised to state figures on the basis of the statement published in the daily Treasury statement.

² Includes \$1,250,000 thousand temporary borrowings by Commodity Credit Corporation from Secretary of the Treasury.

³ Revised to include loans made by Secretary of the Treasury.

⁴ Included in "land, structures, and equipment" classification.

⁵ Revised to include stock of banks for cooperatives owned by Farm Credit Administration.

⁶ Contra interagency assets and liabilities included for those agencies not reporting in statement prior to 1945.

⁷ Decrease from 1945 caused in part by elimination of interagency assets and liabilities of merged R. F. C. affiliates effective July 1, 1945, and establishment of valuation and depreciation reserves.

⁸ Decrease from 1947 caused in part with respect to (1) assets; exclusion of assets of

U. S. Maritime Commission and War Shipping Administration functions (latest reports available to Treasury for these agencies relating to lend-lease and UNRRA activities are as of Mar. 31, 1947, and the remainder of War Shipping Administration functions as of Feb. 28, 1947) amounting to \$11,367,847 thousand and decrease of \$9,365,307 thousand by cancellation (Public Law 860, approved June 30, 1948) of Treasury loans to R. F. C. for which no assets were acquired by Treasury except right of future recoveries from non-lending net assets; (2) liabilities: exclusion of liabilities of U. S. Maritime Commission and War Shipping Administration functions (see parenthetical statement in item (1) above) amounting to \$1,100,232 thousand, and decrease in R. F. C. liabilities to Treasury of \$9,365,307 thousand referred to in item (1) above; and (3) United States interest other than interagency: exclusion of proprietary interest in U. S. Maritime Commission and War Shipping Administration functions (see parenthetical statement in item (1) above) amounting to \$10,207,553 thousand.

⁸ Represents only accrued interest; other accrued liabilities included in "all other liabilities."

⁹ Included in "all other liabilities."

TABLE 71.—*Balance sheets of Government corporations and certain other business-type activities as of June 30, 1949*
 [In millions of dollars. On basis of daily Treasury statement, October 17, 1949]

Corporations												
	Grand total	Total corporations	Banks for co-operators	Commodity Credit Corporation	Export-Import Bank of Washington	Federal Deposit Insurance Corporation	Federal Farm Mortgage Corporation	Federal home loan banks	Federal intermediate credit banks	Federal Savings and Loan Insurance Corporation	Home Owners' Loan Corporation (in liquidation)	Production credit corporations
ASSETS												
Cash on hand and in banks ¹	101.6	98.3	17.4	30.8	2.1	0.3		17.6	12.4	(*)	0.3	0.7
Cash with U. S. Treasury ¹	412.3	240.4	.7	166.3	.2	1.5	2.4	7.1	1.5	.9	9.2	
Deposits with other Govt. corps. and agencies.....	117.8	117.8										
Loans receivable:	7,363.7	512.4	243.5	7.0	3,216.4	.2	61.7	363.4	67.4		316.7	
Interagency.....	11,769.9	6,442.8										
Others, less reserves.....												
Accounts and other receivables:	1,224.3	1,191.3	(*)	155.2	(*)	2.4	1.7	(*)	.1	(*)	(*)	
Interagency.....	243.9	140.7	2.1	17.6	21.6	.1		1.7	5.0	3.0	1.0	.1
Others, less reserves.....	1,139.8	1,138.2		922.8								
Commodities, supplies, and materials, less reserves.....												
Investments:	2,003.6	1,836.7	43.3			1,133.8		360.0	45.1	206.7	10.2	37.6
Public debt securities of U. S.	200.5	222.0									4.1	25.0
Obligations of Govt. corps. and agencies.....	3,508.2	122.9				(*)		(*)		(*)		
Others, less reserves.....	2,945.6	1,654.5	(*)	.5	(*)	3.4	(*)					
Land, structures, and equipment, less reserves.....	27.5	31.1	.5		.1	(*)	.1	.1	.4	(*)	(*)	.3
Acquired security or collateral, less reserves.....	54.4	40.6	.2	20.9								
All other assets, less reserves.....												
Total assets.....	31,138.1	13,589.7	307.8	2,443.9	2,188.5	1,141.8	65.9	749.9	707.9	210.6	341.6	63.6
LIABILITIES												
Accounts and other payables:												
Interagency.....	30.3	21.5	.2	5.7	(*)	(*)	(*)	.4	.3	(*)	(*)	.3
Others.....	303.8	284.3	.3	217.8	(*)	1.3	.2	4.8	4.0	(*)	.5	
Trust and deposit liabilities:												
Interagency.....	232.1	209.9	(*)	65.9	(*)	.1	.5	(*)	(*)	(*)	(*)	(*)
Others.....	288.7	284.0	(*)	6.1	.2	.4	.8	229.5	.8	(*)	12.0	(*)
Bonds, debentures, and notes payable: ⁴												
U. S. Treasury.....	6,069.1	4,953.9		1,669.0	913.9		.5				125.0	
Other interagency.....	505.7	505.7	67.4									
Others:												
Guaranteed by United States.....	25.7	12.8		9.4			1.2				2.2	
Not guaranteed by United States.....	864.7	864.7	1.1					257.6	605.6		.1	
All other liabilities.....	894.5	714.5	.2	2,540.5	3,119.8	5.8	(*)		.6	5.2	.3	(*)
Total liabilities.....	9,214.5	7,851.2	69.2	2,514.4	1,033.9	7.6	3.2	492.4	611.3	5.3	140.2	.3

CAPITAL									
United States interest:									
Capital stock.....	2,087.6	2,087.6	178.5	100.0	1,000.0	(*)	102.5	60.0	100.0
Paid-in surplus.....	1,199.2	1,199.2		(*)				.5	
Expended appropriations.....	20,133.8	938.0	42.9	6 170.5	154.6	71,134.2	62.7	36.1	105.4
Earned surplus, or deficit.....	1,669.5	1,341.4							1.5
Total United States interest.....	21,751.4	5,566.3	221.4	70.5	1,154.6	1,134.2	102.5	96.6	205.4
Private interest:									
Capital stock.....	142.5	142.5	9 13.9						
Earned surplus.....	29.7	29.7	3.3				128.6		
Total private interest.....	172.3	172.3	17.3				155.0		
Total capital.....	21,923.6	5,738.5	238.6	70.5	1,154.6	1,134.2	257.5	96.6	205.4
Total liabilities and capital.....	31,138.1	13,589.7	307.8	2,443.9	2,188.5	1,141.8	749.9	707.9	210.6
Contingent liabilities.....	234.2	224.2			7.0				
ANALYSIS OF INVESTMENT OF UNITED STATES									
Paid-in capital and expended appropriations.....									
Treasury loans to Govt. corps. and agencies ¹⁰	23,420.7	4,224.9	178.5	100.0	1,000.0	(*)	102.5	60.5	100.0
Subtotal.....	6,069.1	4,953.9		1,669.0	913.9	.5		125.0	
Less total Treasury loans ¹¹	29,489.7	9,178.8	178.5	1,769.0	1,913.9	.5	102.5	60.5	100.0
Investment of the United States.....	23,420.7	9,178.8	178.5	1,769.0	1,913.9		102.5	60.5	100.0
Earned surplus, or deficit, U. S. share.....	1,669.3	1,341.4	42.9	170.5	154.6	62.7		36.1	105.4
Book value of U. S. interest, including interagency items.....	21,751.4	10,520.1	221.4	1,598.5	2,068.5	63.2	102.5	96.6	205.4
Interagency items—net, amounts due to, or from:									
Government corporations.....	90.4		67.5	(*)	(*)		(*)	67.5	(*)
Government agencies reporting.....	20.4	20.4					.4		
Government agencies not required to report.....	1,868.7	1,104.7	(*)	90.6	(*)	.1	(*)	.3	(*)
Interagency proprietary interests.....	12,900.5	22.0							
Total interagency items, excluding Treasury loans to Govt. corps. and agencies.....	2,069.2	1,106.4	67.5	90.6	(*)	.1	.4	67.5	(*)
Book value of U. S. interest, after exclusion of interagency items.....	19,682.2	9,413.8	288.9	1,507.9	2,068.6	63.7	102.9	29.3	205.4

* Less than \$50,000.

¹ Excludes unexpended balances of appropriated funds.

² Includes \$24.4 million guaranteed loans held by lending agencies.

³ Includes \$19.6 million guaranteed loans held by lending agencies.

⁴ Includes notes for short-term borrowings.

⁵ Represents guaranteed obligations arising from drafts and invoices paid by commercial banks.

⁶ The paid-in surplus and deficit as of June 30, 1948, exclusive of repayments to the Treasury, were adjusted in accordance with Public Law 806, 80th Cong., approved June 29, 1948.

The surplus is not available by law for dividend distribution and is considered by interests in Government corporations.

the Corporation as a reserve for future deposit insurance losses and related expenses with respect to insured banks.

⁸ The surplus is considered by the Corporation as available for future insurance losses and related expenses with respect to insured institutions.

⁹ Includes \$0.1 million deposits to "Guaranty fund."

¹⁰ As shown above as a liability of each corporation or agency.

¹¹ As shown as an asset of the U. S. Treasury under "Other" business-type activities.

This does not include obligations of the Economic Cooperation Administration, which agency is not required to report.

¹² Represents E. F. C. and Agricultural Marketing Act revolving fund proprietary interests in Government corporations.

TABLE 71.—Balance sheets of Government corporations and certain other business-type activities as of June 30, 1949—Continued
(In millions of dollars)

Corporations—Continued				Certain other business-type activities								
Public Housing Administration ¹³	Reconstruction Finance Corporation		Tennessee Valley Authority	Other ¹⁵	Total certain other business-type activities ¹⁶	Farmers' Home Administration	Disaster loans, etc., revolving fund (Farmers' Home Administration) ¹⁷	Federal Housing Administration ¹⁸	Federal Works Agency ¹⁹	Public Housing Administration ¹⁹	Rural Electrification Administration	Other ²⁰
	Exclusion of assets held for the U. S. Treasury	Assets held for the U. S. Treasury ¹⁴										
ASSETS												
Cash on hand and in banks ¹	0.1	2.3		14.3	3.3	0.3	(*)			0.4		2.5
Cash with U. S. Treasury ¹	1.7	6.0		41.1	171.8	12.9				.7	26.3	98.2
Deposits with other Govt. corps. and agencies				18.1								
Loans receivable:												
Interagency		438.0			6,851.4	251.5	1.3				3	216,851.1
Others, less reserves		836.8			5,327.1						1,151.8	223,804.4
Accounts and other receivables:												
Interagency		1,008.9	10.5	.8	15.8	33.0	(*)	(*)	88.7	9.5	(*)	20.4
Others, less reserves		13.3	51.5	5.6	8.6	103.2	41.6	(*)	12.5	20.4	(*)	17.9
Commodities, supplies, and materials, less reserves									5.2		17.1	
Investments:										.2		1.4
Public debt securities of U. S.												
Obligations of Govt. corps. and agencies		22.0		.1	166.9	1.0						
Others, less reserves	(*)	90.8	3.0		178.5							178.5
Land, structures, and equipment, less reserves	198.3	1.0	610.0	811.0	33.7	3.2		.2	74.0	(*)	.4	3,383.1
Acquired security or collateral, less reserves		26.1		1.0	201.1	1.4				1,202.6		10.2
All other assets, less reserves	.1			10.9	13.8	1.3		(*)	8.5	4.1		(*)
Total assets	489.5	2,445.1	971.7	833.9	628.0	312.1	1.3	237.7	189.1	1,238.0	1,195.9	14,374.3
LIABILITIES												
Accounts and other payables:												
Interagency		13.7		.5	.7			(*)			8.7	(*)
Other	.5	35.4		13.3	5.8	(*)	(*)	2.7		11.1	(*)	5.5
Trust and deposit liabilities:												
Interagency		143.1		.1	.1	.5		.7	.1	.9	.1	20.8
Other	(*)	25.6		.1	8.6	2.3		1.3	.2		(*)	(*)
Bonds, debentures, and notes payable:												
U. S. Treasury	337.0	1,856.2		51.5	.8	1,115.2					1,015.2	100.0
Other interagency					438.3							
Others:												
Guaranteed by United States	(*)					13.0		13.0				
Not guaranteed by United States					.2							
All other liabilities	6.1	19.6		.2	16.3	(*)	(*)	23170.4	8.5	.7		.4
Total liabilities	343.6	2,093.6		65.6	470.7	2.8	(*)	188.1	8.7	12.7	1,024.0	126.9

CAPITAL									
United States interest:									
Capital stock	1.0	100.0			199.4				
Paid-in surplus	114.8		41.9	21.9					
Expended appropriations	94.4		711.6	132.1	19,195.8	357.4	80.4	2,150.7	1,801.9
Earned surplus, or deficit	64.4	251.5	24 14.8	196.1	3,010.7	48.1	(*)	1,970.4	676.7
Total United States interest	145.8	351.5	971.7	768.3	16,185.1	309.3	1.3	180.3	1,225.2
Private interest:									
Capital stock									
Earned surplus									
Total private interest									
Total capital	145.8	351.5	971.7	768.3	16,185.1	309.3	1.3	180.3	1,225.2
Total liabilities and capital	489.5	2,445.1	971.7	833.9	628.0	312.1	1.3	189.1	1,238.0
Contingent liabilities	217.2				9.9	6.9		.1	2.9
ANALYSIS OF INVESTMENT OF UNITED STATES									
Paid-in capital and expended appropriations	210.2	100.0	1,020.1	753.5	353.4	357.4	1.3	80.4	1,801.9
Treasury loans to Govt. corps. and agencies ¹⁰	337.0	1,856.2		51.5	.8	1,115.2			1,015.2
Subtotal	547.2	1,956.2	1,020.1	805.0	354.1	357.4	1.3	80.4	1,801.9
Investment of the United States	547.2	1,956.2	1,020.1	805.0	354.1	357.4	1.3	80.4	1,801.9
Earned surplus, or deficit, U. S. share	64.4	251.5	48.4	14.8	196.1	48.1	(*)	30.8	676.7
Book value of U. S. interest, including inter-agency items	482.8	2,207.7	971.7	819.8	158.1	309.3	1.3	49.6	1,225.2
Interagency items—net, amounts due to, or from:									
Government corporations		907.7		(*)	407.3		(*)	12.6	.4
Government agencies reporting		19.4		.2	.4		(*)	.7	8.7
Government agencies not required to report		1,001.8		.3	2.6			.1	(*)
Interagency proprietary interests		22.0			178.5				.1
Total interagency items, excluding Treasury loans to Govt. corps. and agencies					405.1	.5	(*)	12.4	8.5
Book value of U. S. interest, after exclusion of interagency items	482.8	895.6	861.5	819.7	563.1	309.8	1.3	50.4	1,225.2
									1,195.5
									7,318.3

Footnotes through 12 on p. 525.

¹⁰ Represents activities under U. S. Housing Act, as amended. War housing and other operations of the Administration are shown under "Certain other business-type activities."

¹¹ See table 72, footnote 4.

¹² See table 72, footnote 6.

¹³ See table 72, footnote 6.

¹⁴ Regional Agricultural Credit Corporation of Washington, D. C., was dissolved and stock certificate canceled Apr. 18, 1949, pursuant to Public Law 38, 81st Cong., approved April 6, 1949. Functions, assets, and liabilities were transferred to the Secretary of Agriculture and are entered as "Disaster loans, etc., revolving fund."

¹⁵ Consists of Bureau of Community Facilities and Public Works Administration (in liquidation).

¹⁶ Consists of Farm Security Administration program, homes conversion program, public war housing program, and veterans' re-use housing program.

¹⁷ See table 72, footnote 10.

¹⁸ Represents obligations of Government corporations and agencies as shown under "Bonds, debentures, and notes payable—U. S. Treasury." The latter does not include \$782.0 million obligations of the Economic Cooperation Administration, which agency is not required to report.

¹⁹ Includes \$3,750.0 million loan to the United Kingdom.

²⁰ Includes \$168.7 million reserves for contingent losses, expenses, and other charges.

²¹ Consists of net income from power operations of \$130.1 million and net expense of nonincome-producing programs of \$115.3 million.

Adjustments of valuation and operating reserves:										
Reserve for losses on loans	143,324	149,061	2,074	141,929	10	493	5,354	2	18	
Reserve for losses on acquired security or collateral	6,196	403	313			497	6	(*)	183	
Reserve for losses on fixed assets	89									
Reserve for losses on commodities and supplies	183,723	183,723								
Operating reserves	390,480	428,618		183,723						
Other reserves	19,196	11,752	55	429,509						
				16,574					(*)	65
Net adjustment of valuation and operating reserves	38,130	84,456	2,442	93,284	10	989	5,360	2	183	65
Net income, or loss	11,012	21,916	2,731	169,279	47,823	140,879	7,089	1,638	14,398	380
Changes in unreserved earned surplus or deficit:										
Unreserved earned surplus, or deficit, June 30, 1948										
Net income, or loss, for fiscal year 1949	4,837,532	25,372		21,898,604				24,487		16,761
Transfers to surplus reserves	11,012	21,916	2,731	169,279	47,823	140,879	7,089	1,638	14,398	380
Transfers from surplus reserves	202,851	202,851			47,675	139,400			14,398	
Distribution of profits:	16,420	16,420	333					565		
To general fund revenues—deposit of earnings										
Dividends	71,765									
Other	382,269	382,269					68,000	3,148		
	70,288	70,152		48,943		788		47		
Prior year adjustments	1,855,347	1,948,676		21,946,311	148	691		291		
Unreserved earned surplus, or deficit, June 30, 1949	3,081,928	71,246	28,435	170,515			62,661	8,457	1,468	17,141

* Revised.

* Less than \$500.

* Includes \$1,875 thousand interest paid on capital stock.

* The paid-in surplus and deficit as of June 30, 1948, exclusive of re-payments to the Treasury, were adjusted in accordance with Public Law 806, 80th Cong., approved June 20, 1948.

* Represents activities under U. S. Housing Act, as amended. War housing and other operations of the Administration are shown under "Certain other business-type activities."

* Represents assets held for the Treasury in accordance with Public Law 804, 80th Cong., approved June 30, 1948, which provided for cancellation of R. F. C. notes in the amount of \$9,313,736 thousand, plus interest accrued thereon subsequent to June 30, 1947, representing unrecovered costs to the Corporation as of June 30, 1947, in its national defense, war, and reconversion activities, and stipulated that any amounts recovered by the Corporation with respect to these activities subsequent to June 30, 1947, should, after deduction of related expenses, be deposited in the U. S. Treasury as miscellaneous receipts.

TABLE 72.—Income and expense of Government corporations and certain other business-type activities, fiscal year 1949—Continued
[In thousands of dollars]

	Corporations—Continued			Certain other business-type activities							Other ¹⁰
	Public Housing Administration ³	Reconstruction Finance Corporation	Tennessee Valley Authority	Other ⁵	Total certain other business-type activities ⁶	Farmers Home Administration	Disaster loans, etc., revolving fund (Farmers Home Administration)	Federal Housing Administration	Federal Works Agency ⁸	Public Housing Administration ⁹	Rural Electrification Administration
Income:											
Sale of commodities and supplies.....					16,988						16,988
Sale of services.....				58,136	1,741						1,741
Rents and royalties.....	5,173	(*)	472	56,002	89,607	37				89,234	336
Interest and dividends:											
Interest on loans.....	7,522	33,146	59	8,629	103,759	21,509	3	9	3,493	391	58,845
Interest on public debt securities.....	168	2		1	3,711	20		3,691			20
Interest, other.....		4,611	242	603	2,217	181	(*)	1,129	877	10	2,251
Dividends.....		2,647			2,251			(*)			(*)
Guaranty and insurance premiums.....		1,401		12,550	67,673	76		67,597			
Other income:											
Gains on sale of fixed assets.....				1	3,480	8		281			3,488
Gains on sale of investments.....	238				281						
Gains on sale of acquired security or collateral.....				257	441	256					185
Other.....	18	1,036	6,041	1,965	716	54	2	30		117	152
Total income.....	13,119	42,843	371,708	105,129	292,503	22,124	5	72,737	4,370	89,752	84,006
Expense:											
Cost of commodities and supplies sold.....					13,466						13,466
Direct operating costs.....	659			49,519	48,726	15				44,819	3,893
Interest expense:											
On borrowings from U. S. Treasury.....				35,536	25,786						
Other.....	6,606	8,041	537	11	16,022						6
Administrative expenses.....		4,475		3,784	481			479			2
Depreciation (not included in cost of sales or direct operating costs).....	2,617	15,240	7,556	8,489	60,781	23,511	14	23,353	9	7,359	751
Grants, subsidies and contributions:	3,834			1,021	8,894			104		8,790	
Direct.....			259	2,739							
Indirect.....	3,288			5,083	27,454			27,451			
Guaranty and insurance losses.....				21							2
Other expenses.....				8,146							
Losses and charge-offs:	38	672	11,292	8,371	6,512		(*)	14	2,230	883	3,384
Loans charged off.....											
Other assets charged off.....				2,187	19,269	18,852	2				414
Losses on sale of fixed assets.....	6	16,268		651	48,534	2,386	23			46,083	42
Losses on sale of investments.....		74,682		146	4,864	203		2		3,658	981
Losses on sale of acquired security or collateral.....						39		1,971			44

[illegible]

Footnotes through 4 on p. 529.

⁵ See table 73, footnote 8.

⁶ Latest reports available to Treasury on U. S. Maritime Commission functions, and War Shipping Administration functions relating to lend-lease and UNRRA activities are as of Mar. 31, 1947. Latest reports for remainder of War Shipping Administration functions are as of Feb. 28, 1947. Data derived from such reports were last published in annual report of Secretary of the Treasury for 1947. Publication of current data on U. S. Maritime Commission will be resumed when available.

⁷ See table 73, footnote 10.

⁸ Consists of Bureau of Community Facilities and Public Works Administration (in Liquidation).

⁹ Consists of Farm Security Administration program, homes conversion program, public war housing program, and veterans' re-use housing program.

to consists of Agricultural Marketing Act revolving fund; Federal Security Agency—loans to students; Department of the Interior—Indian loans and Puerto Rico Reconstruction Administration; Department of the Army—guaranteed loans (World War II) and natural fibers revolving fund; Department of the Navy—guaranteed loans (World War II) and sale of surplus supplies (World War I); Treasury Department—miscellaneous loans and certain other assets; Veterans' Canteen Service; and guaranteed loans to veterans.

TABLE 73.—*Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1949*
[In thousands of dollars. On basis of reports received from the corporations and activities]

	Corporations										Produce- tion credit corpora- tions
	Grand total	Total corpora- tions	Banks for coop- eratives	Com- modity Credit Corpora- tion	Export- Import Bank of Wash- ington	Federal Deposit Insur- ance Corpora- tion	Federal Farm Mort- gage Corpora- tion	Federal home loan banks	Federal inter- mediate credit banks	Home Owners' Loan Corpora- tion (in liquida- tion)	
Funds applied:											
To acquisition of assets:											
Loans made	12,186,671	5,783,329	458,790	2,193,217	214,390	410	125	263,133	1,610,618	2,071	
Purchase of investments:											
Public debt securities of U. S.	1,048,957	1,006,655				124,000		761,367	84,465		16,123
Other securities	26,693	10,115									115
Purchase, construction, or improve- ment of fixed assets	70,082	56,040		103	10					1	
Cost of acquiring collateral on defaulted loans	41,533	19,083	62				62		(*)	22	
Other	2,289,724	2,289,724		29,280,378		5,397					
Total acquisition of assets	15,663,600	9,161,947	458,852	4,482,698	214,400	129,807	187	1,024,500	1,695,083	20,714	16,238
To expenses (excluding depreciation and other charges not requiring funds)	780,144	606,085	3,595	29,857	13,650	5,637	1,974	9,714	10,232	577	1,542
To retirement of borrowings and distribution of surplus:											
Repayment of borrowings:											
To U. S. Treasury:											
By cash	1,841,280	1,826,398		31,211,761	250,200					244,000	
By cancellation of notes	70,089	70,089		56,239							
To other Govt. corps. and agencies	152,139	151,859									
To the public	1,313,840	1,298,146	83,355	186,707			550	326,965	699,230	734	
Repayment of capital and surplus:											
To U. S. Treasury	700,665	452,623		48,943		422,604		17,299			35,400
To others	88,144	88,144	24,835					3,908			
General fund revenue—deposit of earnings	71,765										
Dividends	386,989	380,851						3,148			
Other distribution of surplus	307	307					68,000	47	261		
Total retirement of borrowings and capital, and distribution of surplus	4,628,169	4,298,418	260,049	1,503,650	250,200	22,604	68,550	351,366	699,491	244,734	35,400
To increase in working capital and deferred items	1,169,071	1,056,341	5,672		362					1,879	
Other funds applied	55,480	55,480			55,464						
Total funds applied	22,296,524	15,151,271	728,168	6,016,205	533,476	158,048	70,711	1,385,579	2,404,806	253,290	53,180

TABLE 73.—Source and application of funds of Government corporations and certain other business-type activities, fiscal year 1949—Continued

Corporations—Continued				Certain other business-type activities								
Public Housing Administration ⁶	Reconstruction Finance Corporation		Tennessee Valley Authority	Other ⁸	Total certain other business-type activities ⁹	Farmers' Home Administration	Disaster relief, etc., revolving fund (Farmers' Home Administration) ¹⁰	Federal Housing Administration	Federal Works Agency ¹¹	Public Housing Administration ¹²	Rural Electrification Administration	Other ¹³
	Exclusive of assets held for the U. S. Treasury	Assets held for the U. S. Treasury										
Funds applied:												
To acquisition of assets:												
Loans made:	25,819	590,764	17	423,976	6,403,342	98,020	941	42,302	2,020		321,287	5,981,073
Purchase of investments:												
Public debt securities of U. S.		10,000			16,578			78				16,500
Purchase, construction, or improvement of fixed assets:	664		52,739	2,509	14,042	69		90		13,523	44	316
Cost of acquiring collateral on defaulted loans:		13,280		261	22,450			19,931				2,519
Other:				346								
Total acquisition of assets:	26,483	614,045	52,756	427,091	6,498,713	98,089	941	62,400	2,020	13,523	321,331	6,000,409
To expenses (excluding depreciation and other charges not requiring funds):	13,214	28,259	52,169	102,482	174,058	23,874	14	23,847	29,673	53,264	21,818	21,569
To retirement of borrowings and capital and distribution of surplus:												
Repayment of borrowings:												
To U. S. Treasury:												
By cash:	25,000	92,938	2,500		17,882						17,882	
By cancellation of notes:		13,850										
To other Govt. corps. and agencies:												
To the public:				605	280			280				
Repayment of capital and surplus:					15,694			15,694				
To U. S. Treasury:	(*)	225,000	3,000	377	248,042	120,124		388	24,252	99,756		3,522
To others:		100,000		70								
General fund revenues—deposit of earnings:		59,331										
Dividends:		307,392		2,312	71,765			6,088	3,493			68,272
Other distribution of surplus:					6,088							
Total retirement of borrowings and capital, and distribution of surplus:	25,000	639,179	5,500	3,365	359,751	120,124		22,450	27,745	99,756	17,882	71,794
To increase in working capital and deferred items:		1,035,887	1,114	11,427	112,730	655	17		1,407	658	3,241	106,752
Other funds applied:												
Total funds applied:	64,697	2,317,370	111,538	544,351	7,145,252	242,742	972	108,697	60,845	167,200	364,272	6,200,524

TABLE 74.—*Commodity Credit Corporation notes paid and canceled through June 30, 1949*

	Amount
Appropriations:	
Act of June 25, 1938 (appraisal as of Mar. 31, 1938, H. Doc. 670, 75th Cong.).....	\$94,285,404.73
Act of Aug. 9, 1939 (appraisal as of Mar. 31, 1939, H. Doc. 317, 76th Cong.).....	119,599,918.05
Act of July 3, 1941 (appraisal as of Mar. 31, 1941, H. Doc. 248, 77th Cong.).....	1,637,445.51
Act of Apr. 25, 1945 (appraisal as of Mar. 31, 1944, H. Doc. 48, 79th Cong.).....	¹ 256,764,881.04
Total appropriations.....	472,287,649.33
Cancellation of obligations of the Corporation held by the Treasury:	
Act of July 20, 1946 (appraisal as of June 30, 1945, H. Doc. 54, 79th Cong.).....	921,456,561.00
Act of May 26, 1947 (appraisal as of June 30, 1946, H. Doc. 186, 80th Cong.).....	641,832,080.64
	1,563,288,641.64
	2,035,576,290.97
Less amount returned to Treasury:	
Appraisal as of Mar. 31, 1940.....	43,756,731.01
Appraisal as of Mar. 31, 1942.....	27,815,513.68
Appraisal as of June 30, 1947.....	17,693,492.14
Appraisal as of June 30, 1948.....	48,943,010.36
	138,208,747.19
Net payments to Corporation to restore impairment of capital.....	1,897,367,543.78

¹ Includes \$39,436,884.93 appropriated for capital impairment, applicable to Mar. 31, 1943, appraisal.

TABLE 75.—*Reconstruction Finance Corporation notes canceled through June 30, 1949, and recoveries during the fiscal year 1949*

	Cancellations		Recoveries, fiscal year 1949
	Total through June 30, 1948	Fiscal year 1949	
Transfer of public buildings (act of July 30, 1947, Public Law 268).....	\$9,735,561.99		
Unrecovered costs as of June 30, 1947, national defense, war and reconversion (act of June 30, 1948, Public Law 860).....	9,359,742,084.04		\$100,024,636.84
Strategic and critical materials (act of June 30, 1948, Public Law 860):			
Metals, etc.....	4,572,244.33	\$9,744,136.00	
Rubber.....	992,488.83	2,592,565.48	
Net investment of Defense Homes Corporation (act of June 28, 1948, Public Law 796).....		1,512,930.24	
All other.....	3,459,562,200.74		
Total.....	12,834,604,579.93	13,849,631.72	¹ 100,024,636.84

¹ Does not include stock and other obligations received by the Treasury.

TABLE 76.—*Securities owned by the Government (other than World War I foreign government obligations), June 30, 1949, and changes during 1949*

[On the basis of the face value of the securities received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments]

Security and issuing agent	Authorizing act	Amount owned June 30, 1949	Net increase during 1949	Net decrease during 1949	Explanation of change
Capital stock of Government corporations:					
Banks for cooperatives.....	June 16, 1933, as amended	\$178,500,000.00			
Commodity Credit Corporation.....	do.	100,000,000.00			
Defense Homes Corporation (in liquidation).....	Jan. 22, 1932, as amended	10,000,000.00			
Disaster Loan Corporation.....	Feb. 11, 1937, as amended	(1)			
Export-Import Bank of Washington.....	June 16, 1933, as amended	1,000,000,000.00			
Federal Crop Insurance Corporation.....	Feb. 16, 1938.....	100,000,000.00			
Federal Deposit Insurance Corporation.....	June 16, 1933, as amended				Repayments of capital funds to miscellaneous receipts.
Federal Farm Mortgage Corporation.....	Jan. 31, 1934, as amended	10,000.00			
Federal home loan banks.....	July 22, 1932, as amended	102,492,700.00			Repayments of capital funds to miscellaneous receipts.
Federal intermediate credit banks.....	Mar. 4, 1923, as amended	60,000,000.00			
Federal National Mortgage Association ³	June 27, 1934, as amended	20,000,000.00	\$10,000,000.00		Subscription by Reconstruction Finance Corporation.
Federal Savings and Loan Insurance Corporation.....	June 27, 1934.....	100,000,000.00			
Home Owners' Loan Corporation (in liquidation) ⁴	June 13, 1933, as amended	200,000,000.00			
Inland Waterways Corporation.....	June 3, 1924, as amended	14,000,000.00	2,000,000.00		Subscription by Secretary of Treasury.
Institute of Inter-American Transportation.....	July 25, 1942.....			3,586.29	Repayment of capital funds to miscellaneous receipts.
Panama Railroad Company.....	June 28, 1902.....	41.00			Transferred to unreserved surplus.
Production credit corporations.....	June 16, 1933, as amended	46,235,000.00		6,999,999.00	Repayment to revolving fund.
Public Housing Administration.....	Sept. 1, 1937, as amended	1,000,000.00		35,400,000.00	
Reconstruction Finance Corporation.....	Jan. 22, 1932, as amended	100,000,000.00		225,000,000.00	Repayment of capital funds to miscellaneous receipts.
Regional Agricultural Credit Corporation of Washington, D. C. ⁵	July 21, 1932, as amended			100,000.00	Corporation dissolved—stock canceled.
Smaller War Plants Corporation (in liquidation).....	June 11, 1942, as amended	54,400,000.00			
Tennessee Valley Associated Cooperatives, Inc. (liquidated). ⁶	May 12, 1933.....			1,000.00	Corporation dissolved, except for cancellation of stock.
U. S. Commercial Company.....	Jan. 22, 1932, as amended				Corporation dissolved—stock to be canceled by R. F. C.
Virgin Islands Corporation ⁷	May 12, 1933.....	30.00			
War Damage Corporation (in liquidation) ⁸	Jan. 22, 1932, as amended	1,000,000.00			
Total capital stock.....		2,087,637,731.00	12,000,000.00	307,407,391.87	
Net change in capital stock.....				295,407,391.87	

Footnotes at end of table.

TABLE 76.—*Securities owned by the Government (other than World War I foreign government obligations), June 30, 1949, and changes during 1949—Continued*

Security and issuing agent	Authorizing act	Amount owned June 30, 1949	Net increase during 1949	Net decrease during 1949	Explanation of change
Paid-in surplus of Government corporations: Federal National Mortgage Association ³	June 27, 1934, as amended.....	\$1,000,000.00			
Federal intermediate credit banks.....	Jan. 31, 1934.....	500,000.00			
Total paid-in surplus ⁴		1,500,000.00			
Bonds and notes of Government corporations and agencies:					
Commodity Credit Corporation.....	Mar. 8, 1938, as amended.....	1,669,000,000.00	\$1,229,000,000.00		Net borrowings from Treasury including cancellations of \$5,239,432.11.
Economic Cooperation Administration.....	April 3, 1948.....	782,007,122.34	782,007,122.34		Borrowings from Treasury.
Export-Import Bank of Washington.....	July 31, 1945.....	913,900,000.00		\$56,700,000.00	Net repayments to Treasury.
Federal Farm Mortgage Corporation.....	Jan. 31, 1934, as amended.....	500,000.00	500,000.00		Borrowings from Treasury.
Home Owners' Loan Corporation.....	June 13, 1933, as amended.....	125,000,000.00		119,000,000.00	Net repayments to Treasury.
Public Housing Administration.....	Sept. 1, 1937, as amended.....	337,000,000.00		25,000,000.00	Do.
Reconstruction Finance Corporation.....	Jan. 22, 1932, as amended.....	1,856,212,758.85	1,856,212,758.85		Net borrowings from Treasury including cancellations of \$13,849,631.72.
Rural Electrification Administration.....	July 30, 1947.....	1,015,192,569.09	297,118,214.11		Net borrowings from Treasury.
Secretary of the Army: Natural fibers revolving fund.....	June 29, 1948.....	100,000,000.00	100,000,000.00		Borrowing from Treasury.
Tennessee Valley Authority.....	May 18, 1933, as amended.....	51,500,000.00		19 2,500,000.00	Repayment to Treasury.
Virgin Islands Corporation.....	July 30, 1947, June 30, 1948.....	730,000.00	500,000.00		Borrowings from U. S. Treasury.
Total bonds and notes.....		6,851,062,450.28	4,265,338,095.30	203,200,000.00	
Net change in bonds and notes.....			4,062,138,095.30		
Other securities:					
Disaster loans, etc., revolving fund (Farm- ers' Home Admin.): Production and disaster loans, etc.....	April 6, 1949.....	2,410,057.21	2,410,057.21		Loans made.
Farm Credit Administration: Loans from Agricultural Marketing Act revolving fund.....	June 15, 1929, as amended.....	75,370,796.69		143,339.36	Net repayments and other deduc- tions.
Farmers' Home Administration: Emergency crop and feed loans.....	July 1, 1918, as supplemented Apr. 8, 1935, as supple- mented Aug. 14, 1946, as supplemented.....	81,771,135.98		17,048,440.16	Net repayments and other reduc- tions. Do.
Rural rehabilitation loans to farmers, etc.....		441,188,659.40		2,762,960.24	

Federal Housing Administration: Mortgage notes and contracts on sales of acquired real estate.	June 27, 1934, as amended do.	20,392,157.16 155,755.00	75,280.00	2,702,493.77	Do. Net stock purchased.
Stock in rental and war housing corporations. Title I defaulted notes.	do.	31,757,970.40	13,285,819.27		Net loans made.
Public Housing Administration: Public war housing program.	Sept. 1, 1937, as amended do.	8,686,016.04 1,023,173.68	1,935,533.62	1,276,364.24	Do. Net repayments and other deductions.
Farm Security Administration program.	do.	45,619.08	26,463.15	278,401.29	Net loans made. Net repayments and other deductions.
Homes conversion program.	July 2, 1942	1,442,482.99			
Federal Security Agency: Student war loans.	June 16, 1933, as amended	86,644,640.00	1,755,640.00	1,546,196.02	Net loans made. Net repayments and other deductions.
Federal Works Agency: Loans to States, municipalities, railroads, and others.	Oct. 14, 1940, as amended	2,012,682.84			
Community facilities loans.					
Interior Department: Indian loans.	June 18, 1934, as amended	7,448,810.75	200,070.73		Net loans made.
Department of the Navy: Sale of surplus property (World War I).	July 9, 1918, as amended	640,000.00		350,000.00	Repayments.
Guaranteed loans (World War I).	June 11, 1942; July 1, 1944	489,043.64		463,456.91	Net repayments.
Puerto Rico Reconstruction Administration: Loans.	Apr. 8, 1935, as supplemented. do.	7,367,915.44 2,940.12	1,339,409.98 1,311.07		Net loans made. Net increase.
Certificates of Cafeteros de Puerto Rico.	do.				
Rural Electrification Administration: Advances to cooperatives, States and private utilities.	May 18, 1933, as amended	11,137,714,248.17 1,198,417.84	1,407,469.69		Net loans made. Net repayments and other deductions.
Tennessee Valley Authority: Counties and municipalities.				938,913.94	
Treasury Department: Counties and municipalities.	July 1, 1932, as amended				Repayments.
Federal savings and loan associations.	June 13, 1933, as amended	136,640.00		9,000.00	Do.
Railroads.	Feb. 28, 1920, as amended	5,450,000.00		184,300.00	Net reduction.
Securities received by Bureau of Internal Revenue in settlements of tax liabilities.	Mar. 3, 1863, and opinion of General Counsel of the Treasury Department, April 16, 1937.	213,565.40	67,704.66	159,000.00	Net securities received.
Advances to Federal Reserve Banks.	June 19, 1934	27,546,310.97			
Subscriptions to International Bank for Reconstruction and Development and to International Monetary Fund.	July 31, 1945	3,385,000,000.00			
Credit to United Kingdom: Ship construction and reconditioning loans, ship sales notes, etc.	July 15, 1946	3,750,000,000.00			
U. S. Maritime Commission: Ship construction and reconditioning loans, ship sales notes, etc.	Sept. 7, 1916, as amended.	(2)			
Veterans Administration: Guaranteed loans to veterans.	June 22, 1944; Dec. 28, 1945.	2,580,496.44	2,580,496.44		Net loans made.

Footnotes at end of table.

TABLE 76.—*Securities owned by the Government (other than World War I foreign government obligations), June 30, 1949, and changes during 1949—Continued*

Security and issuing agent	Authorizing act	Amount owned June 30, 1949	Net increase during 1949	Net decrease during 1949	Explanation of change
Other securities—Continued					
Department of the Army: Guaranteed loans (World War II).	June 11, 1942; July 1, 1944.	\$5,357,055.30		\$514,670.94	Net repayments.
Total, other securities.		13 8,084,485,580.54	\$25,145,285.82	28,377,626.87	
Net change in other securities.				3,232,341.05	
Total, all securities.		17,024,685,761.82	4,302,483,381.12	538,985,018.74	
Net change in all securities.			3,763,498,362.38		
Less:					
Face amount of above securities acquired by Government corporations from corporate funds or by exchange for corporate obliga- tions:					
Capital stock: Reconstruction Finance Corpo- ration ³		21,000,000.00	10,000,000.00		Subscription by Reconstruction Finance Corporation.
Paid-in surplus: Reconstruction Finance Cor- poration.		1,000,000.00			
Total face amount of securities owned by the United States.		17,002,685,761.82	4,292,483,381.12	538,985,018.74	
Net change during year.			3,753,498,362.38		
Amount due the United States from the Central Branch Union Pacific Railroad on account of bonds issued (Pacific Railroad Aid Bonds Acts, approved July 1, 1862, July 2, 1864, and May 7, 1878):					
Principal.				\$1,600,000.00	
Interest.				1,501,717.91	
Total.				3,101,717.91	

¹ Corporation functions, assets, and liabilities have been transferred for liquidation to R. F. C., and ownership of stock by Treasury consists of stock certificate of \$24,000,000 indorsed for \$18,243,104.96 representing payment by R. F. C. The Treasury has not canceled this stock certificate because there is no authority to do so.

² The final repayment of stock, pursuant to Public Law 363 (80th Congress), approved Aug. 5, 1947, was covered into miscellaneous receipts of the Treasury on August 31, 1948.

³ Reconstruction Finance Corporation funds.

⁴ Pursuant to sec. 246 of Public Law 808 (80th Congress), approved June 29, 1948, the Corporation issued to the United States as of July 1, 1948, a receipt for \$1.00 as evidence of ownership of the Corporation by the United States. This amount is consequently shown as capital stock and the remainder of the capital stock of the predecessor corporation, \$6,999,999 is included in surplus.

⁵ Corporation was dissolved and stock certificate canceled April 18, 1949, pursuant to Public Law 38 (81st Congress), approved April 6, 1949. Functions, assets, and liabilities were transferred to Secretary of Agriculture and are reported as "Disaster loans, etc.

⁶ Liquidation completed December 31, 1948, except for cancellation of stock and surrender of State charter.

⁷ Reincorporated pursuant to Public Law 149 (81st Congress), approved June 30, 1949.

⁸ Liabilities of the company are to be assumed and discharged by the Corporation.

⁹ Exclusive of net payments from Treasury, or transfer of assets authorized by law,

for which no formal receipts or other evidences of payment are held by Secretary of the Treasury in the following:

Stock corporations:

Inland Waterways Corporation.....

Public Housing Administration.....

Nonstock corporations:

Federal Prison Industries, Inc.....

Institute of Inter-American Affairs.....

Reconstruction Finance Corporation affiliate:

Assets held for the U. S. Treasury.....

Tennessee Valley Authority.....

Total.....

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The paid-in surplus and deficit of the Commodity Credit Corporation as of June 30, 1948, exclusive of repayments to the Treasury were adjusted in accordance with Public Law 806 (80th Congress), approved June 29, 1948.

¹ Includes net cash borrowings of \$1,570,062,390.57 from Treasury and cancellation of R. F. C. notes in the amount of \$13,849,631.72. Cancellations consist of \$12,336,701.48 made under provisions of Public Law 800 (80th Congress), approved June 30, 1948 (62 Stat. 1187, 1188), representing the costs incurred subsequent to June 30, 1947, for handling, storing, processing and transporting strategic and critical materials to stock piles and \$1,512,630.24 made in accordance with Public Law 736 (80th Congress), approved June 28, 1948 (62 Stat. 1604, 1665), representing amount equal to the net investment of R. F. C. in Defense Homes Corporation.

² A payment in this amount is required to be made not later than June 30 of each calendar year under provisions of Public Law 268 (80th Congress), approved July 30, 1947.

³ Excludes \$1,015,192,569.00 shown under bonds and notes in preceding part of this table. This sum represents funds borrowed from the Treasury which, together with funds appropriated to Rural Electrification Administration are available for advances to cooperatives, States, and private utilities.

⁴ Latest reports available to the Treasury on U. S. Maritime Commission functions, and on War Shipping Administration functions relating to lend-lease and UNRRA activities, as of March 31, 1947. Latest available reports on remainder of War Shipping Administration functions are as of February 28, 1947. Data derived from these reports were last published in annual report of Secretary of the Treasury for 1947. Publication of current data on U. S. Maritime Commission will be resumed when available.

⁵ Reserves amounting to \$371,213,324.92 have been established against these securities.

⁶ Excludes \$1,015,192,569.00 shown under bonds and notes in preceding part of this table. This sum represents funds borrowed from the Treasury which, together with funds appropriated to Rural Electrification Administration are available for advances to cooperatives, States, and private utilities.

⁷ Latest reports available to the Treasury on U. S. Maritime Commission functions, and on War Shipping Administration functions relating to lend-lease and UNRRA activities, as of March 31, 1947. Latest available reports on remainder of War Shipping Administration functions are as of February 28, 1947. Data derived from these reports were last published in annual report of Secretary of the Treasury for 1947. Publication of current data on U. S. Maritime Commission will be resumed when available.

⁸ Reserves amounting to \$371,213,324.92 have been established against these securities.

TABLE 77.—*Capital stock of Federal home loan banks held on June 30, 1948 and 1949, and repayments and dividends received by the Treasury during the fiscal year 1949*

Bank	Stock held June 30, 1948	Repayments, fiscal year 1949	Stock held June 30, 1949	Dividends re- ceived, fiscal year 1949
Boston	\$12,467,500.00	\$467,500.00	\$12,000,000.00	\$122,337.50
Chicago	14,173,900.00		14,173,900.00	212,608.50
Cincinnati	11,143,700.00	6,143,700.00	5,000,000.00	147,507.38
Des Moines	7,298,700.00	1,500,000.00	5,798,700.00	98,230.50
Indianapolis	4,783,300.00	4,783,300.00		47,833.00
Little Rock	8,772,400.00		8,772,400.00	187,724.00
New York	18,963,200.00	3,000,000.00	15,963,200.00	74,632.00
Pittsburgh	11,146,300.00		11,146,300.00	¹ 167,194.50
San Francisco	15,927,900.00		15,927,900.00	159,279.00
Topeka	7,333,600.00	241,300.00	7,092,300.00	108,797.50
Winston-Salem	7,780,700.00	1,162,700.00	6,618,000.00	¹ 116,710.50
Total	119,791,200.00	17,298,500.00	102,492,700.00	1,442,854.38

¹ Dividends declared annually on December 31 of each year.TABLE 78.—*Status of securities received in reorganization of railroads and held by the Treasury and the Reconstruction Finance Corporation, June 30, 1949*

Securities sold during 1949		Securities held June 30, 1949	Interest and divi- dends received during 1949
Security	Proceeds of sales		

TREASURY, UNDER SECTION 207

Minneapolis & St. Louis Ry. Co.: 5,291.20 shares of common stock.	\$66,836.51	-----	¹ \$2,645.60
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TREASURY, UNDER SECTION 210

Alabama, Tennessee & Northern R. R. Co.: \$124,900 general mort- gage, 4½% income bonds, Series A.	81,122.55	-----	-----
		Fort Dodge, Des Moines & Southern Ry. Co.: \$160,000 general mortgage, 4% income bonds, Series B. 10,000 shares of common stock.	6,400.00
Minneapolis & St. Louis Ry. Co.: 8,384.80 shares of common stock.	105,913.59	-----	¹ 4,192.40

RECONSTRUCTION FINANCE CORPORATION, UNDER SECTION 210

		Seaboard Air Line R. R. Co.: \$5,785,800 general mortgage, 4½% in- come bonds, Series A. \$72 scrip certificate on above.	520,722.00
		9,543.16 shares of preferred stock	71,572.50
		Voting trust certificate for 102,273.08 shares of common stock.	102,273.00
Total under sections 207 and 210.	253,872.55	-----	707,805.50

¹ Dividends collected prior to sale.

TABLE 79.—*Dividends, interest, etc., received by the Treasury from Government corporations and other enterprises, fiscal year 1949*

	Amount
Commodity Credit Corporation:	
Payment of surplus as a result of appraisal of assets	\$48,943,010.36
Interest on capital stock outstanding	1,875,000.00
Interest on borrowings from U. S. Treasury	6,762,394.35
Economic Cooperation Administration:	
Interest on borrowings from U. S. Treasury	6.88
Export-Import Bank of Washington:	
Interest on borrowings from U. S. Treasury	12,194,818.96
Federal Farm Mortgage Corporation:	
Dividends (pursuant to the act of June 30, 1948 (62 Stat. 1191), cash funds in excess of 1949 requirements are to be declared as dividends and paid into the Treasury)	68,000,000.00
Federal intermediate credit banks:	
Franchise tax	178,170.76
Federal home loan banks:	
Dividends	1,442,854.38
Federal Prison Industries, Inc.:	
Dividends	1,812,000.00
Federal savings and loan associations:	
Dividends	18,364.15
Home Owners' Loan Corporation:	
Interest on borrowings from U. S. Treasury	2,275,978.48
Panama Railroad Company:	
Dividends	500,000.00
Public Housing Administration (U. S. Housing Act):	
Interest on borrowings from U. S. Treasury	6,605,988.01
Reconstruction Finance Corporation:	
In accordance with Public Law 548, 80th Congress, dividends representing the accumulated net income in excess of \$250,000,000 must be paid into the U. S. Treasury within six months after end of each fiscal year	307,391,555.00
Interest on borrowings from U. S. Treasury	1,077,093.23
Rural Electrification Administration:	
Interest on borrowings from U. S. Treasury	12,920,831.58
Tennessee Valley Associated Cooperatives, Inc.:	
Surplus from liquidation of corporation	14,475.25
Tennessee Valley Authority:	
Receipts from power operations	3,000,000.00
Interest on borrowings from U. S. Treasury	546,146.41
Virgin Islands Corporation: ¹	
Interest on borrowings from U. S. Treasury	3,944.67
War Damage Corporation:	
Amount realized on liquidation of corporation	50,000.00
Total	475,612,632.47

¹ See table 67, footnote 2.

STOCK AND CIRCULATION OF MONEY IN THE UNITED STATES

TABLE 80.—*Stock of money, in the Federal Reserve Banks, and in circulation, by kinds, June 30, 1949*
[In millions of dollars, except per capita figures]

Kind of money	Stock of money	Money held in the Treasury					Money outside of the Treasury		
		Total	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve Banks and agents	All other money	Total	Held by Federal Reserve Banks and agents	In circulation
									Amount ¹ Per capita ²
Gold.....	3 24,466	24,466	23,288	156		1,022	167	3	164 1.10
Standard silver dollars.....	326	326	278			48			
Silver bullion.....	1,989	1,989	1,989						
Subsidiary coin.....	989	15				15	974	35	940 6.30
Minor coin.....	372	6				6	366	11	355 2.38
United States notes.....	317	2				2	314	26	298 2.13
Federal Reserve notes.....	24,041	55				55	23,986	776	23,209 155.54
Federal Reserve Bank notes.....	313	1				1	313	4	309 2.07
National bank notes.....	94	(*)				(*)	93	1	93 .62
Subtotal.....	53,104	26,861	25,555	156		4,151	26,243	854	25,388 170.14
Gold certificates.....	23,288	20,430					2,858	2,815	43 .29
Silver certificates.....	2,266						2,266	205	13.81
Treasury notes of 1890.....	41						1		.01
Subtotal.....	25,555	20,430					5,125	3,020	2,105 14.11
Total June 30, 1949.....	53,104	26,861	25,555	156		4,151	\$ 31,368	3,875	27,493 184.25
Comparative totals:									
June 30, 1945.....	52,601	25,800	24,563	156		1,171	31,832	3,929	27,903 190.37
June 30, 1920.....	8,481	2,437	2,139	153		353	6,761	1,063	5,698 33.18
March 31, 1917.....	3,587	2,822	2,682	153		117	5,126	953	4,173 40.49
June 30, 1914.....	3,798	1,846	1,807	150		188	3,439		3,490 34.90
January 1, 1879.....	1,007	212	.22	100		91	816		816 16.76

NOTE.—For a description of security held, see table 82, footnote 2.

¹ Less than \$500,000.² Money in circulation includes any paper currency held outside continental limits of United States.³ Based on Bureau of the Census estimated population for continental United States as of July 1 of each year.⁴ Does not include gold other than that held by Treasury.⁵ Includes \$164 million lawful money deposited as reserve for Postal Savings deposits.⁶ Excluded from total stock, since gold or silver held as security against gold and silver

certificates and Treasury notes of 1890 is included under gold, standard silver dollars, and silver bullion, respectively.

⁷ Excludes credits with Treasury (see footnote 4).⁸ Includes certificates held by Treasury of the United States payable in gold certificates in (1) gold certificates fund-Board of Governors, Federal Reserve System, in amount of \$19,841 million, and (2) redemption fund for Federal Reserve notes in amount of \$589 million.⁹ The amount of gold and silver certificates and Treasury notes of 1890 should be deducted from this amount before combining with total money held in Treasury to arrive at stock of money in United States (see footnote 4).

TABLE 81.—*Stock of money, in the Federal Reserve Banks, and in circulation, June 30, 1913-49*¹
 (In thousands of dollars, except per capita figures)

June 30	Stock of money ²	Money held in the Treasury					Money outside of the Treasury			
		Total ³	Amount held as security against gold and silver certificates (and Treasury notes of 1890)	Reserve against United States notes (and Treasury notes of 1890)	Held for Federal Reserve Banks and agents ⁴	All other money	Total	Held by Federal Reserve Banks and agents	In circulation	
									Amount ⁴	Per capita
	3,777,021	1,834,112	1,475,783	150,000		208,329	3,418,692		3,418,692	35.16
	4,050,783	1,967,665	1,619,429	132,977		195,259	3,702,547	382,965	3,319,582	33.01
	8,158,496	2,379,664	704,638	132,979	1,184,276	337,771	6,483,470	1,015,881	5,467,589	51.36
	8,299,382	4,176,381	2,059,799	153,621	1,752,744	210,217	6,182,799	1,367,591	4,815,208	41.57
	8,306,564	4,021,437	1,978,448	156,039	1,796,239	91,211	6,263,075	1,741,087	4,521,988	36.74
	15,113,035	9,997,362	7,131,431	156,039	5,532,590	2,700,891	6,714,514	1,147,422	5,567,093	43.75
	17,402,436	11,851,635	9,355,224	156,039	5,304,027	2,340,372	9,002,035	3,360,854	5,641,200	48.74
	19,376,690	13,683,480	10,240,964	156,039	9,630,913	3,288,477	9,901,261	3,454,205	6,447,056	50.05
	20,096,865	14,535,627	12,233,068	156,039	17,829,838	7,829,637	16,530,964	3,503,576	6,460,891	49.77
	23,754,736	17,862,671	15,299,262	156,039	10,708,118	2,407,369	10,483,210	3,436,467	7,046,743	53.84
	28,457,960	21,836,936	19,651,067	156,039	14,938,895	2,029,829	11,333,196	3,485,695	7,847,501	59.46
	32,774,611	24,575,186	22,300,087	156,039	17,506,167	2,119,059	12,963,346	3,380,914	9,582,432	72.16
	35,840,908	24,783,526	22,596,352	156,039	17,750,403	2,031,135	15,903,331	3,520,465	12,382,866	91.95
	40,898,266	24,406,764	22,199,635	156,039	17,408,945	2,111,690	21,191,591	3,770,331	17,421,260	127.63
	44,805,301	23,173,693	20,878,641	156,039	16,194,111	2,139,012	26,316,138	3,811,797	22,504,342	162.98
	48,009,400	22,202,115	19,923,738	156,039	15,239,072	2,122,338	30,491,950	3,745,512	26,746,438	191.61
	49,648,011	22,649,366	20,397,885	156,039	15,287,592	2,065,441	32,108,928	3,863,941	28,244,987	199.99
	50,599,352	23,653,353	22,318,880	156,039	17,223,658	6,118,453	32,061,222	3,763,964	28,297,257	196.46
	52,601,129	25,800,134	24,563,132	156,039	19,442,373	1,170,962	31,831,755	3,928,800	27,902,959	190.37
	53,103,980	26,861,355	25,554,811	156,039	20,426,710	1,150,365	31,367,726	3,874,816	27,492,910	181.25

¹ Figures differ slightly from monthly circulation statements for following reasons: (a) Beginning June 30, 1922, form of circulation statement was revised so as to include in holdings of Federal Reserve Banks and agents, and hence in stock of money, gold bullion and foreign gold coin held by Federal Reserve Banks and agents, and to include in holdings of Federal Reserve Banks and agents, and hence exclude from money in circulation, all forms of money held by Federal Reserve Banks and agents, whether as reserve against Federal Reserve notes or otherwise. For sake of comparableness, figures in this table for earlier years include these changes. For full explanation of this revision, see 1922 annual report, p. 433. (b) The form of circulation statement was revised again beginning Dec. 31, 1927, so as to exclude earmarked gold coin from stock of money, and hence from money in circulation, to include in holdings of Federal Reserve Banks and agents, and hence in stock of money, gold held abroad for account of Federal Reserve Banks; and to include in all categories, minor coin (1-cent piece and 5-cent piece). Beginning Dec. 31, 1927, circulation statement is dated for end of month instead of beginning of succeeding month, as was practice theretofore, and figures on revised basis for "Money held in the Treasury" are used. For sake of comparableness, figures in this table for earlier years include these changes. For full explanation of this revision, see 1925 annual report,

pp. 70-71. For figures for all years from 1890 through 1934, see 1947 annual report, pp. 478-481. Changes, minor in amount, are made in some figures in the June 30 circulation statements for use in these annual report tables.

² Excludes gold and silver certificates and Treasury notes of 1890 outside Treasury. Beginning with 1934, excludes amount (gold certificates) held for Federal Reserve Banks and agents. These items are excluded since gold and silver held as security against them are included. Composition of the stock of money is shown in table 52.

³ From 1934 to date, amount (gold certificates) held for Federal Reserve Banks and agents is excluded from total money in Treasury, see footnote 2.

⁴ Composition of money in circulation is shown in table 83.

⁵ Based on Bureau of Census estimated population for continental United States as of July 1 of each year.

⁶ On February 26, 1947, gold in amount of \$1,800,000,000 held for account of exchange stabilization fund was used as follows: (1) \$87,500,000.11 was paid to International Monetary Fund; (2) \$25,224,999.89 was transferred to gold certificate fund, Board of Governors, Federal Reserve System; and (3) \$87,275,000 was transferred to general fund of Treasury (and is included in this column).

TABLE 82.—*Stock of money, by kinds, June 30, 1913-19¹*
 [Dollars in thousands]

June 30	Gold ²	Silver bullion ²	Standard silver dollars ²	Subsidiary silver	Minor coin	United States notes ²	Federal Reserve notes ²	Federal Reserve Bank notes ²	National bank notes ²	Total ³	Percentage of gold in total money
1913.....	\$1,870,762		\$503,273	\$173,196	\$56,951	\$346,681			\$759,158	\$3,777,021	49.53
1915.....	1,885,359		508,272	183,430	61,327	346,681	\$84,261		819,274	4,050,783	49.02
1920.....	2,860,482		208,857	258,585	92,479	346,681	3,405,877		719,038	8,188,496	35.12
1925.....	4,500,382		522,061	283,472	104,004	346,681	1,942,240	\$201,226	733,366	8,299,382	52.54
1930.....	4,354,866		539,960	310,978	126,001	346,681	1,746,501	7,176	698,317	8,306,564	54.59
1935.....	9,115,643	\$313,309	545,642	312,416	133,040	346,681	3,492,854	84,354	769,096	15,113,035	60.32
1937.....	10,608,417	708,211	547,080	331,716	139,057	346,681	4,296,381	53,300	371,722	17,402,493	60.96
1938.....	12,318,371	835,106	547,080	358,599	150,954	346,681	4,508,973	38,472	272,164	19,376,690	63.57
1938.....	12,962,954	1,037,163	547,079	373,401	157,183	346,681	4,420,815	30,840	220,688	20,096,865	64.50
1939.....	16,110,079	1,290,586	547,079	373,812	161,147	346,681	4,763,989	26,074	189,292	23,754,736	67.82
1940.....	19,963,091	1,353,162	547,078	402,261	173,909	346,681	5,481,778		197,190	28,457,960	70.15
1941.....	22,624,198	1,435,909	547,078	417,218	193,364	346,681	7,001,521	20,704	151,909	32,774,611	69.03
1942.....	22,736,705	1,505,844	547,077	530,814	224,478	346,681	9,790,727	18,976	140,337	35,840,908	63.44
1943.....	22,387,822	1,519,746	538,996	650,968	244,550	346,681	14,404,174	632,971	133,358	40,808,266	54.78
1944.....	21,173,066	1,520,134	494,337	734,188	276,583	346,681	19,527,974	606,011	127,218	44,805,301	47.26
1945.....	20,212,973	1,520,295	493,943	825,798	303,539	346,681	23,650,975	533,979	121,215	48,009,400	42.10
1946.....	20,269,934	1,909,099	493,580	878,958	325,978	346,681	24,833,323	469,343	115,114	49,648,011	40.83
1947.....	21,266,490	1,923,913	493,462	922,656	348,889	346,681	24,580,495	409,443	107,333	50,599,352	42.03
1948.....	23,532,460	1,955,072	493,100	952,290	359,506	346,681	24,503,331	358,321	100,358	52,601,129	44.74
1949.....	24,466,324	1,988,559	492,837	989,456	371,936	346,681	24,040,979	313,333	93,835	53,103,980	46.07

¹ See table 81, footnote 1. For figures for all years from 1860 through 1934, see 1947 annual report, pp. 482-484.

² Part of gold and silver included in stock of money is held as reserve against other kinds of money, as follows: (1) As reserve for United States notes and Treasury notes of 1890—gold bullion (gold coin and bullion prior to gold conservation actions of 1933 and 1934) varying in amount from \$150,000,000 to \$156,039,431 during years included in this table; (2) also as security for Treasury notes of 1890 (these notes are being canceled and retired on receipt)—an equal dollar amount in standard silver dollars; (3) as security for outstanding silver certificates—silver in bullion and standard silver dollars of monetary value equal to face amount of such silver certificates; and (4) as security for gold certificates—gold bullion (gold coin and bullion before gold actions of 1933 and 1934) of value at legal standard equal to face amount of such gold certificates. Federal Reserve notes are secured by deposit by Federal Reserve Banks with Federal Reserve agents of like amount of gold certificates (gold prior to actions of 1933 and 1934) or of gold certificates and such discounted or purchased paper as are eligible under terms of Federal Reserve Act, as amended, or from Feb. 27, 1932) of direct obligations of United States. Federal Reserve Banks must maintain reserves in gold certificates (gold for 1933 and prior years)

of at least 25 percent (40 percent prior to passage of act of June 12, 1945) including redemption fund which must be deposited with Treasurer of United States, against Federal Reserve notes in actual circulation. "Gold certificates" as herein used for 1934 and subsequent years include credits with Treasurer of United States payable in gold certificates. Federal Reserve Bank's Federal Reserve Bank notes at time of issuance were secured by direct obligations of United States or Commercial paper; however, lawful money has been deposited with Treasurer of United States for their redemption and they are in process of retirement. National bank notes at issuance were secured by direct obligations of United States; lawful money has been deposited with Treasurer for their redemption and they are being retired.

³ Totals involve duplication to extent that United States notes and Federal Reserve notes, included in full, are in part secured by gold, also included in full. Gold certificates, silver certificates, and Treasury notes of 1890 have been excluded, however, since they are complete duplications of equal amounts of gold or silver held as security therefor and included in totals.

TABLE 83.—*Money in circulation, by kinds, June 30, 1913-49*¹

[In thousands of dollars]

June 30	Gold coin	Gold certificates ²	Standard silver dollars	Silver certificates ²	Treasury notes of 1890 ²	Subsidiary silver	Minor coin	United States notes ²	Federal Reserve notes ²	Federal Reserve Bank notes ²	National bank notes ²	Total
1913.....	608,401	1,003,998	72,127	469,129	2,657	154,458	54,954	337,215	70,810	-----	715,754	3,418,692
1915.....	587,537	821,869	64,499	463,147	2,245	159,043	58,516	309,796	3,094,742	-----	782,120	3,319,582
1920.....	474,822	259,007	76,749	97,006	1,656	248,863	90,958	278,144	1,634,108	185,131	689,608	5,467,589
1925.....	402,297	1,004,823	54,289	382,780	1,387	262,009	100,307	282,578	1,402,066	3,206	681,769	4,815,208
1930.....	337,236	994,841	38,629	386,915	1,290	281,231	117,436	288,389	3,292,913	-----	650,779	4,521,988
1935.....	(3)	117,167	32,308	701,474	1,182	295,773	125,125	285,417	4,062,246	-----	704,263	5,567,093
1936.....	(3)	100,771	35,029	954,592	1,177	316,476	134,691	278,190	4,108,780	-----	366,105	6,241,200
1937.....	(3)	88,116	38,046	1,078,071	1,172	340,827	144,107	281,439	4,114,388	-----	268,862	6,417,656
1938.....	(3)	78,500	39,446	1,290,156	1,169	341,942	145,625	262,155	4,184,592	-----	217,441	6,460,891
1939.....	(3)	71,930	42,407	1,453,573	1,166	361,209	154,869	265,962	5,163,284	-----	186,480	7,046,743
1940.....	(3)	66,793	46,020	1,581,662	1,163	384,187	168,977	247,887	6,684,200	-----	165,155	7,847,501
1941.....	(3)	62,872	52,992	1,713,508	1,161	433,485	163,963	269,514	9,316,125	-----	150,460	9,612,432
1942.....	(3)	59,399	66,063	1,754,255	1,158	503,947	213,114	316,884	13,746,612	-----	139,131	12,382,806
1943.....	(3)	56,909	83,701	1,648,571	1,155	610,065	253,672	322,363	18,730,201	-----	132,130	17,421,260
1944.....	(3)	53,964	103,325	1,587,691	1,154	700,022	262,775	322,363	22,867,459	597,030	125,887	22,504,342
1945.....	(3)	52,084	125,178	1,650,689	1,150	788,283	291,996	322,587	22,973,006	-----	120,012	26,746,438
1946.....	(3)	50,223	140,319	2,025,178	1,149	843,122	316,994	316,793	22,964,004	-----	113,948	28,244,997
1947.....	(3)	47,794	148,452	2,060,728	1,147	875,971	331,039	326,483	23,600,323	-----	106,429	28,297,227
1948.....	(3)	45,158	156,340	2,060,869	1,146	918,691	346,112	324,485	23,906,437	-----	99,235	27,902,859
1949.....	(3)	42,665	163,894	2,060,852	1,145	939,368	353,316	318,688	-----	-----	92,524	27,492,910

¹ See table 81, footnote 1. For figures for all years from 1890 through 1934, see 1917 annual report, pp. 485-487.² For description of reserves held against various kinds of money, see table 82, footnote 2.³ Gold Reserve Act of 1934, which was culmination of gold actions of 1933, vested in 1934.

United States title to all gold coin and gold bullion. Gold coin was withdrawn from circulation and formed into bars. Gold coin (\$27,000,000) shown on Treasury records as being then outstanding was dropped from monthly circulation statement as of Jan. 31, 1934.

TABLE 84.—*Paper currency issued and redeemed during the fiscal year 1949, and outstanding June 30, 1949, by classes and denominations*

CLASS	Issued during 1949	Redeemed during 1949	Outstanding June 30, 1949		
			In Treas- ury	In Federal Reserve Banks	Outside Treasury and Federal Reserve Banks
Gold certificates		\$2,619,870	\$699,930	\$2,815,444,500	\$42,664,549
Silver certificates	\$1,791,040,000	1,788,361,600	15,142,279	204,994,746	2,060,851,629
United States notes	195,608,000	195,608,000	2,406,750	25,586,430	318,687,836
Treasury notes of 1890		450	1,480		1 145,466
Federal Reserve notes	5,256,840,000	5,719,191,815	55,464,655	776,078,029	23,209,436,725
Federal Reserve Bank notes		44,987,891	575,988	3,936,005	308,820,891
National bank notes		6,523,320	481,690	828,750	92,524,316
Total	7,246,488,000	7,757,292,946	74,772,772	3,826,868,451	26,034,131,412
DENOMINATION					
\$1	1,127,224,000	1,107,892,627	11,807,680	156,929,246	1,008,277,043
\$2	28,824,000	30,143,804	461,372	12,628,150	61,333,804
\$5	1,347,010,000	1,414,191,675	8,438,480	148,394,845	1,971,400,245
\$10	2,173,090,000	2,368,537,580	13,541,140	226,111,790	5,930,647,022
\$20	1,711,440,000	1,914,062,700	25,826,600	245,562,820	8,551,098,536
\$50	270,750,000	308,086,500	2,930,900	68,699,400	2,426,334,665
\$100	465,000,000	425,466,000	5,291,500	98,271,200	4,974,332,820
\$500	16,445,000	38,368,000	1,113,000	14,384,000	387,019,250
\$1,000	94,920,000	136,109,000	2,035,000	33,102,000	712,197,500
\$5,000	1,025,000	1,325,000	5,000	2,905,000	4,510,000
\$10,000	10,760,000	13,110,000	2,640,000	9,880,000	8,690,000
\$100,000				2,810,000,000	
Fractional parts					62,627
Unassorted			682,100		
Deduct:	7,246,488,000	7,757,292,946	74,772,772	3,826,868,451	26,035,813,512
Unknown, destroyed					1,000,000
Unassorted					682,100
Total	7,246,488,000	7,757,292,946	74,772,772	3,826,868,451	26,034,131,412

CUSTOMS STATISTICS

TABLE 85.—Customs collections and payments, by districts, fiscal year 1949

District	Collections ¹				Payments			Cost to collect \$100
	Duties and miscellaneous customs collections	Department of Justice	Bureau of Internal Revenue	Other collections	Total	Excessive duties and other refunds	Draw back	Expenses (net obligations)
Alaska.....	\$108,680	\$4,256	\$170		\$113,106	\$1,675		\$147,333
Arizona.....	2,003,004	8,406	1,205		2,012,675	29,735		331,812
Buffalo.....	8,214,728	40,224	752,458	\$2,122	9,000,532	105,044	\$48,488	1,014,725
Chicago.....	8,463,316	4,316	11,803,994	4,715	20,276,371	179,073	200,678	994,560
Colorado.....	1,058,937	336	780,497		1,683,772	2,523	296	36,555
Connecticut.....	1,058,803	13,712	307		1,844,804	32,419	42,991	93,075
Dakota.....	3,659,872	992	631		3,675,495	37,207		362,478
Duluth and Superior.....	1,095,872	14,407	7,246		1,097,498	6,141		234,958
El Paso.....	608,735	160,227	841,018	15,188	7,057,730	23,507		890,415
Florida.....	5,294,965	9,922	1,183,880	15,400	6,305,969	28,265	32,288	901,747
Galveston.....	5,094,707	2,838	84,934	5,970	4,116,394	22,122	21,834	352,023
Georgia.....	4,022,652	2,838	389,279	21	1,734,092	39,201		162,755
Hawaii.....	1,304,370	40,422	5,802,398		7,004,097	33,259	841	348,045
Indiana.....	1,141,669		2,203,536		3,630,445	14,089		70,031
Kentucky.....	726,909	36,356	56,847		2,673,900	50,333	175,126	48,215
Laredo.....	2,580,787	26,421	6,794,086		12,035,732	178,525		854,290
Los Angeles.....	5,874,528	20,128	900	127	2,889,779	37,212	692	937,197
Maine and New Hampshire.....	2,858,962	20,128		9,789	11,727,953	81,341	653,596	775,823
Maryland.....	10,481,323	21,836	1,142,911	81,883	44,849,249	212,388	93,187	1,085,334
Massachusetts.....	41,307,871	48,089	3,492,397	30,892	27,993,515	297,429	1,278,069	2,105,254
Michigan.....	12,014,006	59,216	15,914,929	5,364	2,647,417	29,773	128,874	1,349,995
Minnesota.....	2,173,779		473,068		1,186,300	19,150	17,022	161,557
Mobile.....	1,041,296	7,932	121,156	15,926	1,523,770	4,742		153,912
Montana and Idaho.....	516,338	7,048	384		15,762,897	89,816		189,811
New Orleans.....	15,290,763	33,706	414,838	53,530	21,162,844	5,048,591	5,182,791	1,094,523
New York.....	105,196,530	1,217,972	52,426,573	321,769	11,877,645	3,694		11,611,258
North Carolina.....	11,894,492	100	12,993		7,572,861	42,550	89,013	98,807
Ohio.....	5,601,840	594	1,907,276	3,151	1,437,239	5,766		341,083
Oregon.....	1,133,360	754	303,009		28,194,223	297,938	1,115	254,894
Philadelphia.....	26,306,459	16,322	1,871,131	311	2,953,451	30,854	782,061	1,396,667
Pittsburgh.....	2,400,802		552,540	109	2,979,281	2,321		101,724
Rhode Island.....	2,858,174	488	140,619		1,309,144	11,516		136,063
Rochester.....	772,861	32	536,251		1,067,689	5,864	3,856	95,056
Sabine.....	1,086,687	3,462	7,268	242	9,397,291	20,476		696,531
St. Lawrence.....	4,702,001	37,686	4,657,604		2,333,442	54,743	2,089	154,032
St. Louis.....	2,033,728		298,572	1,142	699,902	9,479	77,924	458,074
San Diego.....	670,351	22,637	6,913		12,957,676	190,708		1,427,338
San Francisco.....	6,363,150	57,344	6,506,881	30,301			64,285	

TABLE 85.—Customs collections and payments, by districts, fiscal year 1919—Continued

District	Collections ¹					Payments			Cost to collect \$100
	Duties and miscellaneous collections	Department of Justice	Bureau of Internal Revenue	Other collections	Total	Excessive duties and other refunds	Draw back	Expenses (net obligations)	
South Carolina	\$1,153,879	\$1,220	\$71,724	\$235	\$1,227,058	\$26,328		\$60,722	\$4.95
Tennessee	625,310		12,064	1,454	638,828	1,022		50,759	7.95
Vermont	3,402,961	27,388	547,318		3,977,667	22,728	\$13,466	660,571	16.61
Virginia	9,843,750	15,340	32,613	62,694	9,954,397	29,119	1,016	381,297	3.83
Washington	4,350,981	48,923	1,513,049	13,025	5,925,979	52,713	5,340	1,055,327	17.81
Wisconsin	1,037,834	48	166,075		1,203,957	11,962	7,152	102,764	8.54
Puerto Rico	48,422	8,230		3,037	59,689	280			
Items not assigned to districts									
Total	388,470,747	2,019,460	124,071,746	679,565	515,241,518	7,416,554	9,537,577	34,989,685	6.79
Collections deposited to credit of Government of Puerto Rico	3,113,340				3,113,340				
Grand total	391,584,087	2,019,460	124,071,746	679,565	518,354,858	7,416,554	9,537,577	34,989,685	

¹ Customs receipts, on the basis of reports of collecting officers, are credited to the districts in which the collections are made. Receipts in the various districts do not indicate the tax burden of the respective districts, since the taxes may be ultimately borne by persons in other districts. Customs duties and sale of insular government property for Puerto Rico (\$3,113,340) are deposited to the credit of the Government of Puerto Rico.

² Bureau and foreign.

TABLE 86.—*Summary of customs collections and expenditures, fiscal year 1949*

[On basis of accounts of the Bureau of Customs]

Collections ¹	Amount	Appropriations and expenditures	Amount
Customs collections:		Appropriation "Collecting the revenue from customs":	
Duties on imports.....	\$384,138,671	Regular.....	\$32,400,000
Miscellaneous collections (fines, penalties, etc.).....	4,332,076	Second Deficiency Act.....	2,750,000
Total.....	388,470,747	Less advanced fund.....	300,000
Collections for other departments, bureaus, etc.:		Net appropriation.....	34,850,000
Internal revenue taxes.....	124,071,746	Excess in cost of bills rendered to private interests for reimbursable services, to pay for accrual of employee's leave.....	212,830
Public Health Service.....	675,604	Available for expenditure.....	35,062,830
Department of the Interior.....	915	Expenditures, obligations incurred by:	
Department of Justice.....	2,019,460	Collectors of customs.....	26,113,384
Department of the Army.....	3,046	Agency Service (investigation and patrol).....	1,712,891
Total collections.....	515,241,518	Appraisers of merchandise.....	4,173,094
		Chief chemists.....	552,160
		Comptrollers of customs.....	1,044,029
		Customs Information Exchange.....	76,661
		Administrative.....	1,317,466
			34,989,685
		Balance of appropriation.....	73,145
		Appropriation "Refunds and drawbacks".....	18,000,000
		Expenditures for refunds, drawbacks, and minor payments of a similar nature.....	16,954,131
		Balance of appropriation.....	1,045,869

¹ Excludes duties and sale of insular property for Puerto Rico, but includes other Puerto Rican collections.

TABLE 87.—*Estimated customs duties, value of imports entered for consumption, and ratio of duties to value of dutiable imports, and to value of all imports, calendar years 1938-47 and monthly January-December 1947, January, February, and December 1948, and January-May 1949*¹

[Dollars in thousands]

Calendar year and month	Estimated duties (including taxes on imports)	Value of imports entered for consumption		Ratio of dutiable to total	Ratio of duties to value of	
		Total	Dutiable		Dutiable imports	Total imports
				<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
1938.....	\$301,380	\$1,949,624	\$765,964	39.29	39.35	15.46
1939.....	328,352	2,276,099	878,050	38.58	37.40	14.43
1940.....	318,267	2,540,656	891,835	35.10	35.69	12.53
1941.....	438,596	3,221,954	1,191,224	36.97	36.82	13.61
1942.....	318,490	2,769,285	1,009,679	36.46	31.54	11.50
1943.....	391,540	3,389,951	1,207,301	35.61	32.43	11.55
1944.....	368,234	3,877,895	1,164,561	30.03	31.62	9.50
1945.....	382,212	4,086,017	1,350,487	33.05	28.30	9.35
1946.....	482,860	4,792,110	1,889,228	39.42	25.56	10.08
1947.....	427,679	† 5,643,345	2,213,764	† 39.23	19.32	† 7.58
1947—January.....	46,848	535,558	211,442	39.48	22.16	8.75
February.....	35,767	425,192	163,784	38.52	21.84	8.41
March.....	38,218	434,669	177,632	40.87	21.52	8.79
April.....	37,961	483,956	186,310	38.50	20.38	7.84
May.....	35,165	455,833	168,555	36.98	20.86	7.71
June.....	35,299	† 469,622	190,222	40.51	18.56	7.52
July.....	31,975	444,596	173,566	39.04	18.42	7.19
August.....	29,052	404,625	153,569	37.95	18.92	7.18
September.....	33,949	† 473,096	187,242	† 39.58	18.13	† 7.18
October.....	40,257	† 504,937	220,915	† 43.75	18.22	7.97
November.....	32,078	† 448,807	179,682	† 40.04	17.85	† 7.15
December.....	31,108	† 562,473	200,845	† 35.71	15.49	† 5.53
1948—January.....	36,942	556,663	226,014	40.60	16.35	6.64
February.....	33,410	573,776	219,746	38.30	15.20	5.82
December.....	34,245	704,004	269,064	38.22	12.73	4.86
1949—January.....	29,685	578,850	230,597	39.84	12.87	5.13
February.....	29,742	556,115	226,605	40.75	13.13	5.35
March.....	32,251	623,811	237,565	38.08	13.58	5.17
April.....	26,927	526,828	207,181	39.33	13.00	5.11
May.....	26,784	532,979	199,549	37.44	13.42	5.03

† Revised.

¹ Amount of customs duties is calculated on basis of reports of Bureau of the Census showing quantity and value of merchandise imported. Figures back to 1867 can be found in annual reports for 1930, p. 523; 1932, p. 382; and corresponding tables in subsequent reports.

TABLE 88.—*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, calendar years 1938-47 and monthly January-December 1947, January, February, and December 1948, and January-May 1949*

[Dollars in thousands]

Calendar year and month	Schedule 1.—Chemicals, oils, and paints					Schedule 2.—Earths, earthenware, and glassware					Schedule 3.—Metals and manufactures					Schedule 4.—Wood and manufactures				
	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports
			Percent			Percent			Percent			Percent			Percent			Percent		Percent
1938.....	\$19,417	\$51,958	37.37	\$11,049	\$24,693	44.75	\$21,493	\$68,172	31.53	\$2,156	\$13,503	15.97								
1939.....	19,634	56,586	34.70	10,794	25,369	42.55	25,749	89,728	28.70	2,096	17,002	12.33								
1940.....	12,356	41,204	29.99	8,806	22,336	39.43	31,161	102,303	30.46	1,723	17,461	9.87								
1941.....	13,291	48,695	27.29	7,742	25,857	29.94	43,435	126,095	34.45	2,536	36,039	7.04								
1942.....	10,621	47,203	22.50	4,786	19,031	25.15	28,040	102,300	27.41	2,413	46,185	5.22								
1943.....	7,634	41,480	18.40	4,071	18,399	22.13	31,434	120,654	26.18	1,642	27,852	5.90								
1944.....	8,037	54,122	14.85	3,103	10,764	28.83	28,919	117,660	24.58	2,297	37,299	6.16								
1945.....	10,051	71,859	13.99	3,884	14,700	26.31	38,496	150,019	25.65	2,867	44,563	6.43								
1946.....	13,622	90,198	15.10	9,546	30,941	30.79	50,028	197,984	25.57	4,191	54,610	7.67								
1947.....	16,578	119,282	13.90	13,643	44,308	30.75	51,979	246,376	20.73	3,073	42,112	7.30								
1947—January.....	1,959	13,683	14.32	1,392	4,203	33.12	4,352	19,117	22.77	258	1,167	22.11								
February.....	1,249	8,829	14.15	1,101	3,556	30.96	4,008	18,675	21.46	222	1,080	20.56								
March.....	1,254	9,727	12.89	984	3,322	29.62	4,202	19,882	21.13	185	906	20.42								
April.....	1,216	9,276	13.11	1,047	3,273	31.99	4,417	20,845	21.19	166	783	21.20								
May.....	2,059	14,280	14.42	1,039	3,377	30.77	4,215	20,638	21.04	170	729	23.32								
June.....	2,008	15,024	13.37	1,194	3,949	30.24	4,500	25,155	17.89	151	607	24.88								
July.....	1,354	9,180	14.75	1,244	4,119	30.20	4,467	20,165	22.15	149	586	25.43								
August.....	738	5,493	13.41	1,189	3,935	30.22	3,383	17,341	19.51	191	2,076	7.14								
September.....	871	6,137	14.19	1,184	4,563	26.95	4,312	20,293	21.25	298	2,076	14.45								
October.....	1,368	9,825	13.92	1,349	4,046	33.34	4,886	22,339	21.87	406	8,027	4.71								
November.....	1,000	7,737	12.92	1,133	3,431	33.02	4,131	22,837	19.83	378	7,607	4.97								
December.....	1,503	10,090	14.90	796	2,535	31.40	4,207	21,691	19.40	499	10,649	4.69								
1948—January.....	1,454	13,381	10.87	1,090	4,002	26.49	3,979	24,973	15.93	367	8,564	4.29								
February.....	1,078	8,296	12.90	930	3,331	27.75	4,110	26,179	15.70	345	9,473	3.64								
March.....	1,290	10,019	12.88	1,084	6,726	25.04	5,162	37,912	13.62	418	8,740	4.78								
December.....	1,054	8,270	12.74	1,211	4,721	25.65	3,895	33,115	11.76	339	6,486	5.23								
1949—January.....	1,912	8,051	11.33	1,282	4,750	26.99	3,914	31,753	12.33	360	6,858	5.25								
February.....	824	6,253	13.16	1,337	5,238	25.53	4,095	30,040	13.63	426	8,293	5.14								
March.....	788	6,874	11.46	1,413	5,462	25.92	3,565	30,471	14.42	415	8,293	5.14								
April.....	657	5,645	11.64	1,387	4,945	28.05	3,947	26,603	14.84	417	7,656	5.45								
May.....																				

Footnotes at end of table.

TABLE 88.—*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, calendar years 1938-47 and monthly January-December 1947, January, February, and December 1948, and January-May 1949*—
Continued

Calendar year and month	(Dollars in thousands)											
	Schedule 5.—Sugar, molasses, and manufactures			Schedule 6.—Tobacco and manufactures			Schedule 7.—Agricultural products and provisions			Schedule 8.—Spirits, wines, and other beverages		
	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports
1938.....	\$45,506	\$95,486	Percent 47.66	\$24,408	\$35,803	Percent 68.17	\$51,058	\$147,857	Percent 34.53	\$34,498	\$59,460	Percent 58.02
1939.....	46,218	90,543	51.05	23,927	35,999	66.47	50,419	172,808	32.46	31,206	50,076	57.90
1940.....	42,826	87,780	48.79	22,173	36,685	60.44	46,083	147,228	31.30	32,753	53,809	60.87
1941.....	38,056	77,375	43.74	23,017	38,026	60.53	56,818	173,113	32.82	30,186	49,635	60.82
1942.....	63,385	135,375	26.75	27,779	37,026	59.57	41,368	178,729	23.15	28,811	53,695	50.82
1943.....	36,056	73,319	49.18	22,305	37,770	53.33	40,326	175,113	22.85	31,563	51,094	61.09
1944.....	55,730	104,349	28.68	23,044	43,209	53.33	37,584	246,284	14.11	85,671	115,304	71.30
1945.....	29,096	101,071	28.79	24,852	65,930	37.74	42,542	314,005	13.55	46,340	92,150	63.75
1946.....	10,430	35,418	29.45	28,253	82,978	34.34	43,405	334,800	12.24	50,520	92,150	53.10
1947.....	10,167	42,524	23.91	24,916	92,367	27.89	36,347	311,800	11.66	31,718	67,708	47.13
1947—January.....	67,280	436,404	15.42	25,757	92,367	27.89	36,347	311,800	11.66	31,718	67,708	47.13
February.....	3,466	17,799	19.47	6,517	34,988	18.63	4,142	32,123	12.89	2,146	4,715	45.49
March.....	4,720	28,037	16.83	1,688	4,936	34.20	3,271	22,703	14.41	2,241	4,750	47.23
April.....	5,987	36,050	16.61	1,910	5,552	34.40	3,691	21,680	12.53	2,244	4,750	46.45
May.....	7,341	53,426	13.74	1,683	5,145	32.71	2,963	21,389	13.85	2,133	4,520	47.19
June.....	5,824	38,119	15.28	1,493	4,430	33.70	2,068	17,455	11.84	2,081	6,009	46.62
July.....	7,093	45,797	15.49	1,817	5,477	33.18	2,406	26,262	9.50	2,884	6,056	47.62
August.....	6,839	46,832	14.60	1,780	5,353	33.25	1,385	15,385	8.99	2,884	6,056	47.62
September.....	6,251	40,021	15.62	1,719	5,218	32.94	1,385	15,385	8.99	2,884	6,056	47.62
October.....	4,269	28,802	14.82	1,941	5,751	32.94	1,711	16,799	10.19	2,310	4,905	47.09
November.....	4,788	31,492	15.20	2,126	6,556	32.43	3,148	29,393	10.71	2,206	4,531	48.69
December.....	4,511	30,208	14.90	1,834	5,378	34.10	3,177	27,172	10.57	3,843	8,034	47.83
1948—January.....	6,192	39,762	15.57	1,250	3,583	34.89	3,665	28,982	12.65	2,178	4,810	45.23
February.....	576	6,322	9.11	2,121	7,835	27.07	3,924	32,199	12.19	2,075	5,144	28.75
March.....	3,214	30,887	10.41	1,606	5,388	29.81	3,850	31,500	12.22	1,646	5,444	30.24
April.....	2,155	23,667	9.11	1,673	5,396	31.00	4,993	54,464	9.17	2,674	10,010	26.71
May.....	1,953	20,717	9.43	1,918	6,293	30.48	4,717	41,506	11.36	1,674	5,971	27.42
June.....	3,478	31,784	10.94	1,811	5,428	33.36	4,178	35,851	11.65	1,544	5,609	27.53
July.....	4,903	41,713	11.75	2,123	6,714	31.62	4,641	39,402	11.74	1,956	7,135	27.41
August.....	3,627	32,241	11.25	1,862	6,066	30.70	4,423	39,402	11.23	1,687	6,285	26.84
September.....	3,454	32,803	10.53	2,080	6,906	31.49	3,519	30,156	11.67	1,909	7,245	26.34

Calendar year and month

Calendar year and month	Schedule 9.—Cotton manu- factures				Schedule 10.—Flax, hemp, jute, and manufactures				Schedule 11.—Wool and manufactures				Schedule 12.—Silk manu- factures			
	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	
1938.....	\$9,439	\$24,288	38.86	\$12,002	\$49,402	24.78	\$18,531	\$27,418	67.59	\$3,327	\$6,185	53.79	\$3,327	\$6,185	53.79	
1939.....	9,841	27,284	36.07	10,253	54,765	24.77	33,624	49,271	78.34	2,776	5,286	52.52	2,776	5,286	52.52	
1940.....	7,630	20,106	33.06	9,326	53,635	15.01	33,624	49,271	66.30	2,178	4,294	52.72	2,178	4,294	52.72	
1941.....	3,062	13,003	33.34	6,639	69,806	13.64	121,113	183,572	66.30	1,457	2,855	53.50	1,457	2,855	53.50	
1942.....	2,548	8,270	30.81	5,639	32,306	11.95	121,113	178,572	66.30	411	1,355	48.07	411	1,355	48.07	
1943.....	2,707	8,946	30.32	5,252	30,632	22.41	134,360	218,316	61.54	209	698	47.72	209	698	47.72	
1944.....	1,900	6,709	25.32	5,252	10,047	22.41	134,360	218,316	61.54	307	1,031	48.08	307	1,031	48.08	
1945.....	4,333	26,066	17.39	5,482	17,863	22.29	144,039	228,513	62.76	2,459	4,958	47.68	2,459	4,958	47.68	
1946.....	5,453	23,451	20.73	15,394	106,202	14.50	107,759	276,042	62.77	5,272	10,430	48.23	5,272	10,430	48.23	
1947.....	4,626	15,986	30.75	13,878	149,880	9.26	95,072	198,983	53.39	149	312	47.76	149	312	47.76	
1947—January.....	636	2,029	31.35	1,694	12,593	13.55	12,804	28,983	55.39	224	457	47.77	224	457	47.77	
February.....	516	1,614	31.97	1,780	15,552	11.45	9,107	21,287	52.68	107	226	52.65	107	226	52.65	
March.....	438	1,402	31.24	1,383	11,050	12.52	10,626	21,339	49.80	119	226	47.64	119	226	47.64	
April.....	427	1,339	31.89	1,111	7,838	11.29	10,063	20,173	49.88	131	275	47.81	131	275	47.81	
May.....	476	1,327	31.17	985	7,813	12.61	9,119	19,391	47.03	206	478	43.10	206	478	43.10	
June.....	304	961	31.63	1,075	11,957	8.99	7,403	15,135	48.91	210	435	48.07	210	435	48.07	
July.....	380	1,157	32.84	1,246	19,275	6.46	6,294	13,403	46.96	206	435	48.07	206	435	48.07	
August.....	346	1,032	30.16	1,246	19,275	8.15	5,801	12,701	45.67	484	1,031	46.94	484	1,031	46.94	
September.....	367	1,217	30.16	1,275	18,506	6.75	7,137	15,757	45.29	679	1,455	50.02	679	1,455	50.02	
October.....	399	1,272	31.37	1,275	13,342	8.60	7,318	16,095	40.47	1,304	2,697	50.02	1,304	2,697	50.02	
November.....	303	947	32.00	1,117	9,953	7.16	5,705	13,924	40.97	810	1,610	50.31	810	1,610	50.31	
December.....	531	1,468	32.55	623	3,332	6.68	3,697	9,900	37.34	941	1,803	50.31	941	1,803	50.31	
1948—January.....	556	2,241	24.81	1,190	14,642	7.85	11,542	36,004	31.53	1,215	2,451	44.57	1,215	2,451	44.57	
February.....	501	2,079	24.10	817	12,221	6.69	8,864	29,282	30.27	498	1,116	44.62	498	1,116	44.62	
March.....	601	2,439	24.64	770	16,424	4.69	5,343	20,158	26.51	595	2,264	26.29	595	2,264	26.29	
April.....	504	2,114	23.84	659	14,911	4.42	5,395	21,382	25.23	569	2,164	26.29	569	2,164	26.29	
May.....	481	2,008	23.95	702	14,701	4.76	4,964	21,612	22.97	736	2,841	25.91	736	2,841	25.91	
June.....	612	2,588	28.65	684	14,216	4.81	4,069	17,517	23.23	556	2,066	26.53	556	2,066	26.53	
July.....	455	1,840	24.73	398	12,721	4.70	2,628	10,905	24.10	323	1,194	27.05	323	1,194	27.05	
August.....	467	1,816	25.72	546	11,015	4.96	2,805	11,212	25.02	296	1,376	27.25	296	1,376	27.25	

Footnotes at end of table.

TABLE 88.—*Estimated customs duties, value of dutiable imports, and ratio of estimated duties to value of dutiable imports, by tariff schedules, calendar years 1938-47 and monthly January-December 1947, January, February, and December 1948, and January-May 1949*—
Continued

(Dollars in thousands)

Calendar year and month	Schedule 13.—Manufactures of rayon or other synthetic textiles				Schedule 14.—Pulp, paper, and books				Schedule 15.—Sundries				Free-trade commodities taxable under the Revenue Act of 1932 and subsequent acts, ² dutiable under section 466, Tariff Act of 1930, etc.			
	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Percent	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Percent	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Percent	Esti- mated duties	Value of dutiable imports	Ratio of duties to imports	Percent
1938.....	\$2,274	\$6,041	37.64	Percent	\$2,531	\$11,970	21.14	Percent	\$33,959	\$110,444	30.75	Percent	\$9,636	\$33,285	28.95	Percent
1939.....	3,090	10,210	30.26	37.64	2,152	11,461	18.78	21.14	35,245	133,270	26.45	30.75	11,753	38,394	30.61	30.61
1940.....	1,260	3,898	32.32	30.26	1,278	7,580	16.93	18.78	29,458	114,957	25.71	26.45	17,235	86,582	19.91	19.91
1941.....	753	2,550	29.53	32.32	2,791	13,641	20.46	16.93	25,438	132,757	19.16	25.71	29,901	126,091	23.71	23.71
1942.....	81	202	40.10	29.53	1,643	9,534	17.23	20.46	13,411	96,819	13.85	19.16	6,183	40,185	15.39	15.39
1943.....	113	219	51.60	40.10	1,029	7,432	13.85	17.23	17,457	115,815	15.07	13.85	5,163	38,505	13.41	13.41
1944.....	198	362	54.70	51.60	1,038	7,711	13.46	13.85	21,069	118,006	17.85	15.07	7,502	73,677	10.18	10.18
1945.....	1,252	2,329	49.51	54.70	1,260	8,773	14.36	13.46	33,008	170,234	19.39	17.85	11,347	112,430	10.09	10.09
1946.....	3,341	13,819	33.76	49.51	1,980	13,692	12.62	14.36	60,854	334,444	18.20	19.39	16,625	156,996	10.59	10.59
1947.....	4,623	13,686	29.47	33.76	3,186	23,304	13.67	12.62	39,468	207,728	19.00	18.20	15,784	231,207	6.83	6.83
1947.....	799	2,581	30.96	29.47	228	1,664	13.70	13.67	4,770	23,214	20.55	19.00	1,537	17,357	8.86	8.86
January.....	512	1,770	28.93	30.96	233	1,741	13.38	13.70	3,627	16,962	21.38	20.55	1,386	16,071	8.62	8.62
February.....	385	1,927	30.36	28.93	238	1,819	13.08	13.38	3,489	16,116	21.65	21.38	1,485	18,875	7.87	7.87
March.....	549	1,962	28.86	30.36	264	1,937	13.63	13.08	3,071	14,791	20.76	21.65	1,380	17,401	7.93	7.93
April.....	307	1,083	28.35	28.86	328	2,236	14.67	13.63	2,510	12,486	20.10	20.76	1,362	18,708	7.28	7.28
May.....	322	1,224	26.31	28.35	311	2,112	14.73	14.67	2,389	13,613	17.55	20.10	1,148	16,415	6.99	6.99
June.....	303	1,020	29.71	26.31	321	2,284	14.05	14.73	2,309	12,071	20.79	17.55	1,186	17,198	6.90	6.90
July.....	290	1,014	27.35	29.71	264	1,853	14.25	14.05	2,625	12,652	20.75	20.79	1,050	16,982	6.18	6.18
August.....	245	1,272	27.12	27.35	212	1,710	12.40	14.25	3,304	18,393	19.05	20.75	1,182	20,141	5.87	5.87
September.....	225	772	33.45	27.12	279	2,066	13.50	12.40	4,365	23,439	18.62	19.05	1,219	21,024	5.80	5.80
October.....	225	582	38.87	33.45	235	1,891	13.48	13.50	3,112	19,850	17.62	18.62	1,179	21,513	5.48	5.48
November.....	160	582	33.96	38.87	253	1,990	12.71	13.48	3,112	24,141	12.89	17.62	1,671	29,520	5.66	5.66
December.....	420	1,695	24.44	33.96	257	2,087	12.31	12.71	4,934	34,010	14.51	12.89	1,341	27,790	4.83	4.83
1948—January.....	673	2,757	24.41	24.44	324	2,389	10.99	12.31	3,640	21,310	17.06	14.51	1,316	27,841	4.73	4.73
February.....	469	2,035	23.02	24.41	268	2,307	10.57	10.99	4,266	24,696	17.40	17.06	3,645	41,527	8.78	8.78
March.....	295	1,260	23.41	23.02	208	1,307	10.40	10.57	3,376	19,738	17.09	17.40	1,954	39,964	4.89	4.89
April.....	200	841	23.78	23.41	183	1,776	10.40	10.40	3,308	18,651	17.70	17.09	1,696	34,047	4.95	4.95
May.....	169	674	25.07	23.78	191	1,971	10.05	10.40	3,065	14,133	20.81	17.70	1,733	33,876	5.12	5.12
June.....	96	399	24.06	25.07	180	1,870	10.11	10.05	3,092	14,394	20.80	20.81	1,766	35,425	4.99	4.99
July.....	53	207	25.60	24.06	184	1,817	10.13	10.11	3,243	16,299	19.90	20.80	1,849	34,550	5.35	5.35

¹ Amount of customs duties is calculated on basis of reports of Bureau of the Census, showing quantity and value of merchandise imported. Total estimated duties and total value of dutiable imports will be found in table 87. For figures back to 1890 see annual reports for 1930, p. 525; 1932, p. 383; and corresponding tables in subsequent reports.

² Taxes collected on dutiable commodities under revenue acts and Sugar Act of 1937 are included in appropriate schedule.

TABLE 89.—*Number of entries of merchandise, fiscal years 1948 and 1949*

Type	1948	1949	Percentage increase, or decrease (—)
Consumption entries.....	528, 878	605, 653	14. 5
Warehouse and rewarehouse entries.....	47, 932	49, 033	2. 3
Warehouse withdrawals.....	169, 118	199, 659	18. 1
Mail entries.....	642, 528	633, 056	-1. 5
Baggage entries.....	1, 303, 484	1, 429, 637	9. 7
Informal entries.....	665, 327	532, 938	-19. 9
Appraisement entries.....	18, 487	17, 524	-5. 2
All others.....	601, 800	567, 864	-5. 6
Total.....	3, 977, 554	4, 035, 364	1. 5

TABLE 90.—*Number of vehicles and persons entering the United States, fiscal years 1948 and 1949*

Kind of entrant	1948	1949	Percentage increase, or decrease (—)
Vehicles:			
Automobiles and busses.....	16, 328, 996	17, 661, 010	8. 2
Documented vessels.....	51, 376	49, 181	-4. 3
Undocumented vessels.....	19, 422	19, 905	2. 5
Ferries.....	112, 295	107, 680	-4. 1
Passenger trains.....	33, 909	32, 644	-4. 0
Freight cars.....	2, 422, 378	2, 404, 232	-0. 8
Aircraft.....	68, 880	73, 362	6. 5
Other vehicles.....	534, 797	536, 055	0. 2
Passengers by:			
Automobiles and busses.....	50, 621, 756	53, 270, 654	5. 2
Document vessels.....	641, 262	676, 483	5. 5
Undocumented vessels.....	60, 501	52, 822	-12. 7
Ferries.....	2, 562, 708	2, 517, 249	-1. 8
Passenger trains.....	2, 083, 157	1, 778, 763	-14. 6
Aircraft.....	909, 723	966, 412	6. 2
Other vehicles.....	5, 213, 447	5, 300, 350	1. 7
Pedestrians.....	19, 769, 614	19, 140, 173	-3. 2
Total passengers and pedestrians.....	81, 862, 168	83, 702, 906	2. 2

TABLE 91.—*Number of airplanes and airplane passengers entering the United States, fiscal years 1948 and 1949*

District	Airplanes		Airplane passengers		Percentage increase, or decrease (—)	
	1948	1949	1948	1949	Airplanes	Passengers
Northern Border:						
Maine.....	1,007	857	3,653	1,218	-14.9	-66.7
Vermont.....	2,279	2,523	17,391	21,542	10.7	23.9
Massachusetts.....	2,506	3,791	30,745	46,132	51.3	50.0
New York.....	12,269	13,204	252,109	277,299	7.6	10.0
St. Lawrence.....	1,131	1,010	5,285	6,205	-8.0	17.4
Buffalo.....	2,204	2,222	14,705	14,695	0.8	-0.1
Maryland.....	1,198	1,259	15,633	11,887	5.1	-21.0
Michigan.....	2,794	3,089	4,062	6,791	10.6	67.2
Chicago.....	848	819	10,113	13,082	-3.4	29.4
Cleveland.....	991	1,208	7,173	10,733	21.9	49.6
Duluth.....	790	779	2,246	2,094	-1.4	-6.8
Dakota.....	1,233	1,437	10,024	11,551	16.5	15.2
Montana.....	1,652	1,778	17,156	16,104	7.6	6.1
Washington.....	3,102	3,170	24,885	24,136	2.2	1.1
Other.....	1,274	1,117	13,179	18,167	-12.3	37.8
Total.....	35,278	38,293	427,359	481,636	8.5	12.7
Southern Border:						
Los Angeles.....	1,420	1,290	28,628	23,047	-9.2	-19.5
San Diego.....	1,073	1,128	2,926	2,773	5.1	-5.2
El Paso.....	748	846	9,613	10,000	13.1	4.1
Laredo.....	3,684	3,470	37,010	38,728	-5.8	4.6
Galveston.....	466	699	12,053	13,527	50.0	12.2
Nogales.....	1,308	2,020	9,158	9,088	54.4	-0.8
New Orleans.....	1,947	1,255	19,733	23,145	32.5	17.3
Florida.....	18,041	19,741	287,019	299,194	9.4	4.2
Other.....	144	8	6,805	7,610	-94.4	11.8
Total.....	27,834	30,457	412,945	427,121	9.4	3.4
Alaska.....	2,317	2,411	13,151	13,795	4.1	4.9
Hawaii.....	3,451	2,201	56,268	43,860	-36.2	-22.1
Total.....	5,768	4,612	69,419	57,655	-20.0	-16.9
Grand total.....	68,880	73,362	909,723	966,412	6.5	6.2

TABLE 92.—*Drawback transactions, fiscal years 1948 and 1949*

Transactions	1948	1949	Percentage increase, or decrease (—)
	<i>Number</i>	<i>Number</i>	
Drawback entries received.....	11, 616	13, 814	18. 9
Drawback notices of intent:			
Originating in the district.....	162, 679	135, 821	-16. 5
Received from other districts.....	92, 332	73, 750	-20. 1
Forwarded to other districts for disposition.....	83, 944	70, 664	-15. 8
Certificates of manufacture received.....	6, 855	8, 628	25. 9
Import entries used in drawback liquidations.....	9, 303	12, 618	35. 6
Certificates of importation issued.....	4, 059	5, 862	44. 4
Drawback allowed:	<i>Amount</i>	<i>Amount</i>	
Manufactures from imported merchandise.....	\$10, 252, 189. 41	\$8, 558, 305. 62	-16. 5
Duty paid on merchandise exported from continuous customs custody.....	17, 358. 20	32, 659. 65	88. 2
Merchandise which did not conform to sample specifications and returned to customs custody and exported.....	146, 887. 58	184, 614. 52	25. 7
Imported materials used in the construction and equipment of vessels built for foreigners.....	13, 629. 34	603, 106. 40	4, 325. 1
Salt used curing fish.....		82. 30	-----
Total drawback allowed.....	10, 430, 064. 53	9, 378, 768. 49	-10. 1
Internal revenue refund on account of domestic alcohol.....	1, 357, 193. 13	746, 929. 67	-45. 0
Total.....	11, 787, 257. 66	10, 125, 698. 16	-14. 1

TABLE 93.—*Principal commodities on which drawback was paid, fiscal years 1948 and 1949*

Commodity	1948	1949	Percentage increase, or decrease (—)
Wool.....	\$1, 725, 464. 11	\$1, 701, 521. 86	-1. 4
Sugar.....	2, 457, 348. 25	1, 346, 753. 89	-45. 2
Tobacco, unmanufactured.....	789, 027. 59	713, 752. 91	-9. 5
Aluminum, crude, foil and manufactures.....	1, 374, 883. 93	455, 980. 01	-66. 8
Copper.....	611, 956. 27	435, 116. 76	-28. 9
Petroleum, crude.....	571, 781. 34	362, 051. 62	-36. 7
Manganese.....	400, 474. 41	347, 937. 00	-13. 1
Zinc ore, blocks and manufactures.....	255, 007. 59	288, 895. 11	13. 3
Lead ore, matte, pigs.....	178, 491. 85	281, 094. 95	57. 5
Cotton cloth.....	41, 043. 90	219, 262. 89	434. 2
Skins and skin plates.....	389, 041. 44	171, 653. 96	-55. 9
Coal-tar products.....	164, 579. 80	160, 141. 40	-2. 7
Watch movements and parts.....	108, 887. 31	157, 410. 73	44. 6
Nickel.....	124, 417. 62	126, 184. 54	1. 4
Tungsten ore and powder.....	148, 955. 80	135, 013. 14	-9. 4
Carpets and rugs.....	57, 798. 68	124, 760. 73	115. 9
Tires and tubes, rubber and synthetic.....	133, 329. 03	74, 278. 94	-44. 3
Wool fabrics.....	43, 122. 35	69, 052. 50	60. 1
Bauxite ore.....	34, 895. 18	64, 139. 51	83. 8
Opium.....	14, 683. 28	58, 130. 22	295. 9
Automobile and parts, and aircraft parts.....	23, 103. 71	58, 041. 58	151. 2
Burley.....	37, 988. 35	51, 330. 18	35. 1
Pigments, paints and varnishes.....	8, 833. 62	49, 849. 33	464. 3
Burlap.....	32, 251. 53	44, 021. 16	36. 5
Cork discs.....	51, 970. 23	41, 668. 56	-19. 8
Ferromanganese.....	21, 557. 86	40, 051. 92	85. 8
Machinery and parts.....	25, 442. 09	34, 129. 21	34. 1
Animal fats and oils (including tallow, inedible).....	14, 270. 44	30, 722. 83	115. 3
Strip steel.....	3, 548. 67	29, 109. 22	720. 3
Iron and steel scrap.....	2, 221. 64	24, 835. 72	1, 017. 9
Casein.....	7, 010. 42	19, 682. 41	180. 8
Liquors, distilled.....	24. 20	10, 233. 63	42, 187. 7

TABLE 94.—*Seizures for violations of the customs laws, fiscal years 1948 and 1949*

Seizures	1948	1949	Percentage increase, or decrease (—)
Automobiles and trucks:			
Number ¹	440	441	0.2
Value.....	\$530,703	\$518,460	—2.3
Aircraft:			
Number ¹	7	8	14.3
Value.....	\$87,400	\$206,800	136.6
Boats:			
Number ¹	19	39	105.3
Value.....	\$182,700	\$1,702,984	832.1
Narcotics:			
Number.....	1,363	1,269	—6.9
Value.....	\$272,497	\$304,686	11.8
Liquors:			
Number.....	5,105	4,901	—4.0
Gallons.....	152,279	32,046	—79.0
Value.....	\$1,864,054	\$369,125	—80.2
Prohibited articles (obscene, lottery, etc.):			
Number.....	2,559	2,138	—16.5
Value.....	\$1,598,376	\$34,783	—97.8
Other seizures:			
Number.....	13,585	10,923	—19.6
Value:			
Cameras.....	\$12,099	\$7,769	—35.8
Edibles and farm products.....	54,433	339,740	524.1
Furs—skins and manufactured.....	52,481	112,606	114.6
Guns and ammunition.....	19,042	20,394	7.1
Jewelry, including gems.....	1,057,725	504,678	—52.3
Livestock.....	12,744	25,705	101.7
Tobacco and manufactures of.....	22,224	31,785	43.0
Watches and parts.....	81,895	26,344	—67.8
Wearing apparel.....	66,410	63,085	—5.0
Miscellaneous.....	1,293,313	1,403,515	8.5
Total value of other seizures.....	2,672,366	2,535,621	—5.1
Grand total:			
Number ¹	22,612	19,231	—15.0
Value.....	\$7,208,096	\$5,672,459	—21.3

¹ Total number of seizures does not include number of automobiles, trucks, aircraft, and boats seized, since these are frequently seized in connection with seizures of liquor, narcotics, etc.

TABLE 95.—*Seizures for violations of the customs laws, classified according to agencies participating, fiscal year 1949*

Seizures	By Customs officers	By other agencies	Joint seizures by Customs and other agencies	Total
Automobiles:				
Number ¹	306	24	11	341
Value.....	\$303,676	\$27,794	\$11,520	\$342,990
Trucks:				
Number ¹	76	14	10	100
Value.....	\$151,804	\$12,728	\$10,938	\$175,470
Aircraft:				
Number ¹	8			8
Value.....	\$206,800			\$206,800
Boats:				
Number ¹	36		3	39
Value.....	\$1,702,829		\$155	\$1,702,984
Narcotics:				
Number.....	1,241	15	13	1,269
Value.....	\$266,582	\$12,003	\$23,101	\$301,686
Liquors:				
Number.....	4,777	120	4	4,901
Gallons.....	31,950	87	9	32,046
Value.....	\$367,276	\$1,807	\$42	\$369,125
Prohibited articles:				
Number.....	2,099	38	1	2,138
Value.....	\$34,744	\$38	\$1	\$34,783
Other seizures:				
Number.....	10,723	148	52	10,923
Value.....	\$2,502,108	\$21,777	\$11,736	\$2,535,621
Total seizures:				
Number ¹	18,840	321	70	19,231
Value.....	\$5,535,819	\$76,147	\$60,493	\$5,672,459

¹ Total number of seizures does not include number of automobiles, trucks, aircraft, and boats seized, since these are frequently seized in connection with seizures of liquor, narcotics, etc.

TABLE 96.—*Investigative and patrol activities, fiscal years 1948 and 1949*

Activity	1948	1949	Percentage increase, or decrease (—)
Investigations of violations of customs laws:			
Undervaluation.....	1,362	953	—30.0
Marking violations.....	33	25	—24.2
Baggage violations.....	1,620	1,962	21.1
Diamond and jewelry smuggling.....	590	635	7.6
Narcotic smuggling.....	1,456	1,835	26.0
Other smuggling.....	1,075	1,437	33.7
Touring permits.....	1,263	1,472	16.5
Navigation or air violations.....	400	492	23.0
Other investigations:			
Alleged erroneous customs procedure.....	145	151	4.1
Drawback.....	1,654	1,426	—13.8
Classification and market value.....	854	697	—18.4
Application for customhouse brokers' licenses.....	160	153	—4.4
Application for bonded truckman's license.....	161	182	13.0
Petitions for relief from additional duty.....	757	621	—18.0
Personnel.....	448	2,838	533.5
Pilferage of merchandise.....	197	210	6.6
Miscellaneous.....	1,861	1,977	6.2
Examination of customhouse brokers' records.....	205	190	—7.3
Cases of cooperation with other agencies.....	1,833	2,673	45.8

FEDERAL AID TO STATES

TABLE 97.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1949*

Appropriation titles	1920	1930	1940	1949
I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS				
DEPARTMENT OF AGRICULTURE				
Payments to States and Territories for agricultural experiment stations (7 U. S. C. 301-308, 361-386f, 369a, 427-427g)	\$1,440,000	\$4,335,000	\$6,848,149	\$7,355,110
Cooperative agricultural extension work (7 U. S. C. 301-308, 341-348, 343c-343e, 343f, 343g)	4,471,594	7,539,786	18,458,267	29,961,223
Payments to States and Territories from the national forests fund (16 U. S. C. 500)	1,069,887	1,565,032	1,192,370	5,983,374
Payments to school funds, Arizona and New Mexico (act June 20, 1910, 36 Stat. 561, 573, secs. 6, 24)	78,867	41,243	23,555	57,096
National school lunch program (act June 22, 1946, 60 Stat. 290)				73,501,766
Exportation and domestic consumption of agricultural commodities (act Aug. 24, 1935, 49 Stat. 774, sec. 321, as amended)				35,551,769
Forest-fire cooperation (16 U. S. C. 564-570)		1,383,041	1,987,538	18,734,791
Cooperative farm forestry (16 U. S. C. 567-568b)				
Cooperative distribution of forest planting stock (16 U. S. C. 567)		139,196	90,332	540,861
Payments to counties from submarginal land program (7 U. S. C. 1012)				248,949
Research and Marketing Act of 1946 (act Aug. 14, 1946, Pub. Law 733)				3,134,552
Total	7,060,348	15,063,298	28,600,211	165,069,491
DEPARTMENT OF COMMERCE				
Federal-aid airport program, Federal Airport Act, Civil Aeronautics Administration (act May 13, 1946, 60 Stat. 171)				30,390,992
DEPARTMENT OF THE INTERIOR				
Payments to States from receipts under Mineral Leasing Act (30 U. S. C. 191)		1,387,838	2,151,654	9,535,276
Payments to States under Grazing Act, June 28, 1934, public lands (43 U. S. C. 315f)			503,970	252,055
Payments to States under Grazing Act, June 28, 1934, Indian ceded lands (43 U. S. C. 315f)				
Federal aid, wildlife restoration (act Sept. 2, 1937, 50 Stat. 917)			451,299	4,987,810
Payments to counties from receipts under Migratory Bird Conservation Act (16 U. S. C. 715e)				97,098
Payments to States of 5% of proceeds of public lands (receipt limitation) (31 U. S. C. 711, par. 17; annual appropriation provided for 1942, act June 28, 1941, 55 Stat. 310)		18,292	602	12,500
Coos Bay wagon-road grant fund (act Feb. 26, 1919, 40 Stat. sec. 5)		43,613	(2)	
Revested Oregon and California Railroad and reconveyed Coos Bay wagon-road grant lands, Oregon (reimbursable) (act Aug. 28, 1937, 50 Stat. 874)			142,041	
Payment of proceeds of sales of Coos Bay wagon-road grant lands and timber (receipt limitation) (act Feb. 26, 1919, 40 Stat. 1179)			12,771	
Payments to Coos and Douglas Counties, Oreg., in lieu of taxes on Coos Bay wagon-road grant lands (act May 24, 1939, 53 Stat. 753)			221	

Footnotes at end of table

TABLE 97.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1949—Continued*

Appropriation title	1920	1930	1940	1949
I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
DEPARTMENT OF THE INTERIOR—continued				
Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation) (act June 9, 1916, 39 Stat. 222, sec. 10, and various supplemental acts; additional annual appropriation provided for 1939, act June 25, 1938, 52 Stat. 1129)	}	\$979,387	\$313,845	\$2,210,601
Payment to counties, Oregon and California grant lands (50%)				
Payment to counties in lieu of taxes on Oregon and California grant lands, 25 per centum fund (25%) (act Aug. 28, 1937, 50 Stat. 875)				
Payment to Oklahoma from royalties, oil and gas, south half of Red River (receipt limitation) (act Mar. 4, 1923, 39 U. S. C. 233)		41,778	8,786	
Payments to States from potash deposits, royalties and rentals (act Feb. 7, 1927, secs. 5 and 6) (30 U. S. C. 149, 285, 286)			49,256	
Payment to Alaska under Alaska Game Law (48 U. S. C. 199, Subdiv. K)			20,281	57,804
Payments to Arizona and Nevada for Colorado River Dam fund, Boulder Canyon Project (43 U. S. C. 617a, f)				600,000
Total		2,470,908	3,654,726	17,753,145
DEPARTMENT OF LABOR				
Promotion of welfare and hygiene of maternity and infancy		3 9,522		
DEPARTMENT OF THE ARMY				
Payments to States, Flood Control Act of 1938, as amended (52 Stat. 1221-1222)				236,802
INDEPENDENT ESTABLISHMENTS				
<i>Federal Security Agency</i>				
Colleges for agriculture and the mechanic arts (7 U. S. C. 321-343g)	\$2,500,000	2,550,000	2,550,000	} 5,030,000
Further endowment of colleges of agriculture and the mechanic arts (7 U. S. C. 343c-343g; 54 Stat. 582)			2,480,000	
Cooperative vocational education in agriculture (20 U. S. C. 11-30)	707,130	3,151,340	4 19,730	
Cooperative vocational education in trades and industries (20 U. S. C. 11-30)	780,096	2,956,295	4 9,787	
Cooperative vocational education, teachers, etc. (20 U. S. C. 11-30)	619,556	1,029,078	4 10,000	
Cooperative vocational education in home economics (20 U. S. C. 11-30)		248,957	4 18,431	
Cooperative vocational education in distributive occupations (20 U. S. C. 11-30)			4 10,000	
Cooperative vocational rehabilitation of persons disabled in industry (29 U. S. C. 31-45b)		735,619	2,082,198	} 26,145,531
Further development and promotion of vocational education (20 U. S. C. 15h-15p; 54 Stat. 583, 29-30; 29 U. S. C. 31-35)			19,384,914	
To promote the education of the blind (American Printing House for the Blind) (20 U. S. C. 101, 102)	30,000	75,000	115,000	125,000
Mental health activities, Public Health Service (act July 8, 1947, 61 Stat. 269)				2,924,403
Expenses, Division of Venereal Diseases, Public Health Service (42 U. S. C. 24, 25; 52 Stat. 439, 440)			4,188,399	13,138,382
Control of tuberculosis, Public Health Service (act July 1, 1944, 58 Stat. 693, sec. 314 (b))				6,786,066

Footnotes at end of table.

TABLE 97.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1949—Continued*

Appropriation titles	1920	1930	1940	1949
I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
INDEPENDENT ESTABLISHMENTS—continued				
<i>Federal Security Agency—Continued</i>				
Assistance to States, general, Public Health Service (act July 1, 1944, 58 Stat. 693, sec. 314 (c))			\$9,500,706	\$11,212,895
Grants to States for public health work, Social Security Act, Aug. 14, 1935 (42 U. S. C. 801-803)				
Payments to States for surveys and programs for hospital construction, Public Health Service (act Aug. 13, 1946, 60 Stat. 1040-49)				10,762,300
Grants for hospital construction, Public Health Service (act Aug. 13, 1946, 60 Stat. 1040-49)				
Grants to States for Unemployment Compensation and Employment Service Administration, Bureau of Employment Security, Social Security Administration (act June 6, 1933, as amended, 29 U. S. C. 49-491)			3,366,606	140,313,590
Grants to States for Unemployment Compensation Administration, Social Security Board (act Aug. 14, 1935, 49 Stat., sec. 301, 302)				
Payment to States, United States Employment Service (29 U. S. C. 49-491)				
Grants to States for maternal and child welfare services of the Social Security Act, Aug. 14, 1935, as amended (42 U. S. C. 701-731)			\$ 9,680,706	11,240,253
Grants to States under Social Security Act, Social Security Board (42 U. S. C. 301-306, 1201-1206)			329,303,433	939,727,792
Payment to States, Vocational Rehabilitation Act, as amended, Office of Vocational Rehabilitation (act July 3, 1945, 59 Stat. 374)				18,765,171
Total	\$4,636,782	\$10,746,289	382,584,014	1,186,171,383
<i>Federal Works Agency</i>				
Cooperative construction of rural post roads (23 U. S. C. 21, 54) (see also items of similar type under class II)	20,305,623	77,887,693	150,470	
Federal-aid highway system (23 U. S. C. 1-24, 41, 21a, 23a, 41a)			105,351,358	13,975,183
Federal-aid secondary or feeder roads (act June 16, 1936, 49 Stat. 1521, sec. 7)			18,355,139	4,428,802
Elimination of grade crossings (act June 16, 1936, 49 Stat. 1521, sec. 8)			20,521,720	9,868,137
Public-lands highways (act June 16, 1936, 49 Stat. 1520, sec. 3)			2,128,682	1,794,865
Federal-aid postwar construction program (acts Dec. 28, 1945, 59 Stat. 638, and Mar. 26, 1946, 60 Stat. 70)				367,328,899
Total	20,305,623	77,887,693	155,507,369	397,395,885
<i>Housing and Home Finance Agency</i>				
Annual contributions, Federal Public Housing Authority (42 U. S. C. 1410)				3,288,019
United States Housing Authority fund (42 U. S. C. 1404 (d), 1418; 50 Stat. 889, 897, sec. 4 (d), 18)			1,386,132	
Total			1,386,132	3,288,019
<i>Federal Power Commission</i>				
Payments to States under Federal Power Act (16 U. S. C. 810)		12,875	19,386	23,372

Footnotes at end of table.

TABLE 97.—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1949—Continued*

Appropriation titles	1920	1930	1940	1949
I. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR GRANTS TO STATES AND LOCAL UNITS—Continued				
INDEPENDENT ESTABLISHMENTS—continued				
<i>Interdepartmental Social Hygiene Board</i>				
Payments for prevention and research, venereal diseases (41 Stat. 888).....	\$1,759,263			
<i>U. S. Maritime Commission</i>				
State marine schools, act Mar. 4, 1911 (34 U. S. C. 1121).....	\$ 176,689	\$ 550,000	\$ 140,036	\$156,390
<i>Veterans' Administration</i>				
(Annual appropriations under title "Salaries and expenses, Veterans' Administration"); State and territorial homes for disabled soldiers and sailors (24 U. S. C. 134).....	1,094,584	575,206	978,767	2,906,653
Administration of unemployment and self-employment allowances (act June 22, 1944, 58 Stat. 290).....				20,824,312
Supervision of on-the-job training (act June 22, 1944, 58 Stat. 290).....				4,770,831
Total.....	1,094,584	575,206	978,767	28,501,796
Total class I.....	35,033,289	106,755,791	572,870,641	1,828,987,275
II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES				
DEPARTMENT OF AGRICULTURE				
Cooperative construction, etc., of roads and trails, national forests (act July 11, 1916, 39 Stat. 358).....	1,699,044	(?)	(?)	
Federal forest road construction (act Feb. 28, 1919, 40 Stat. 1201).....	2,550,513	(?)	(?)	
Forest roads and trails (23 U. S. C. 23, 23a).....		7,961,032	11,478,686	
Forest reserve fund, roads and trails for States (16 U. S. C. 501).....				
Cooperative fire protection of forested watersheds of navigable streams (16 U. S. C. 563).....	86,887			
Conservation and use of agricultural land resources (act Feb. 29, 1936, 16 U. S. C. 590g-590q).....				
Administration of Sugar Act of 1937 (7 U. S. C. 1100-1183).....			552,042,804	202,166,095
Total.....	4,336,444	7,961,032	563,521,490	202,166,095
TREASURY DEPARTMENT				
<i>Public Health Service</i> ⁸				
Preventing the spread of epidemic diseases.....	495,793	273,330		
Interstate quarantine service.....	5,098	71,117		
Studies in rural sanitation.....	64,528	345,159		
Total.....	565,419	689,606		
DEPARTMENT OF THE ARMY				
National Guard (32 U. S. C. 21, 22).....	2,663,485	31,987,927	71,019,749	115,149,340
Maintenance and improvement of existing river and harbor works (act July 24, 1946, 60 Stat. 637, Sec. 6).....				500,954
Flood control, general (act July 24, 1946, 60 Stat. 637, Sec. 6).....				
Total.....	2,663,485	31,987,927	71,019,749	115,650,294

Footnotes at end of table.

TABLE 97—*Expenditures for Federal aid to States, individuals, etc. (exclusive of emergency appropriations from which payments are made to or within States), fiscal years 1920, 1930, 1940, and 1949—Continued*

Appropriation title	1920	1930	1940	1949
II. APPROPRIATIONS FROM WHICH PAYMENTS ARE MADE FOR SELECTED PROGRAMS INVOLVING PAYMENTS TO INDIVIDUALS ETC., WITHIN THE STATES—Continued				
INDEPENDENT ESTABLISHMENTS				
<i>Federal Security Agency</i>				
Civilian Conservation Corps (16 U. S. C. 584-584g; 54 Stat. 581).....			\$270, 856, 832	
Operating expenses, National Cancer Institute, Public Health Service (act Apr. 19, 1946, 60 Stat. 106).....				\$2, 360, 905
Reconversion unemployment benefits for seamen, Social Security Administration (act Aug. 10, 1946, 60 Stat. 982).....				1, 900, 341
Total			270, 856, 832	4, 261, 246
<i>Federal Works Agency</i>				
Construction services, Public Buildings Administration (act June 15, 1938, 40 U. S. C. 265).....				101, 787
Forest highway construction (Sec. 10 (a), act Dec. 20, 1944, 58 Stat. 838-843).....				10, 779, 235
Total				10, 881, 022
<i>Veterans' Administration</i>				
Veterans' miscellaneous benefits, Veterans' Administration (act Mar. 24, 1943, 57 Stat. 43).....				3, 296, 862, 993
Readjustment benefits, Veterans' Administration (act June 22, 1944, 58 Stat. 284).....				
Automobiles and other conveyances for disabled veterans (act Aug. 8, 1946, Public Law 663).....				6, 620, 036
Total				3, 303, 483, 029
Total class II	\$7, 565, 348	\$40, 638, 565	905, 398, 071	3, 636, 441, 681
Grand total	42, 598, 637	147, 394, 356	1, 478, 268, 712	5, 465, 428, 956

¹ Includes \$13,613, expenditures for fire control activities in connection with the flood control program (Flood Control Act, 33 U. S. C. 701a).

² Special fund account repealed as a permanent appropriation, effective July 1, 1935, by sec. 4 of the Permanent Appropriation Repeal Act, June 26, 1934 (48 Stat. 1227). Annual appropriation provided for same object under the account immediately following.

³ Activities under this caption expired June 30, 1929.

⁴ Deduct; represents net repayments. These accounts were discontinued, but their functions are continued under the two accounts immediately following.

⁵ Stated under Department of Labor for 1940.

⁶ Stated under Navy Department for 1920, 1930, and 1940.

⁷ These accounts consolidated with combined accounts immediately following.

⁸ Beginning July 1, 1939, expenditures of Public Health Service stated under Federal Security Agency.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949*

[The Treasury Department, for general information, has compiled from figures furnished by the departments and establishments concerned the following statement, exhibiting by States and Territories the amounts paid to or within each under the appropriations for Federal aid to States shown under classes I and II in the preceding table.]

PART A. GRANTS TO STATES AND LOCAL UNITS

State	Department of Agriculture						
	Agricultural experiment stations—Regular grants	Research and Marketing Act of 1946—Regular grants	Cooperative agricultural extension work—Regular grants	National school lunch program 1—Regular grants	National forests fund 2—Shared revenues	Sub-marginal land program, payment to counties—Shared revenues	Forest fire co-operation, etc. ³
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alabama.....	\$186,153	\$90,119	\$1,166,546	\$2,901,160	\$66,175	\$308	\$379,372
Arizona.....	105,499	29,919	181,014	414,766	285,292	123	289,420
Arkansas.....	162,512	79,891	939,839	2,012,160	277,960	12,725	256,648
California.....	185,543	104,421	687,285	3,025,025	560,924	414	1,405,390
Colorado.....	116,056	51,708	349,787	548,835	215,119	25,753	21,759
Connecticut.....	115,396	29,559	168,251	600,278	.....	.....	55,524
Delaware.....	95,072	16,796	93,714	86,410	.....	64	9,256
District of Columbia.....	.....	.....	.....	133,336	.....	.....	.....
Florida.....	130,579	40,015	318,211	1,376,653	60,452	6,891	529,003
Georgia.....	191,477	93,421	1,158,505	3,043,162	63,194	13,280	289,420
Idaho.....	106,590	39,643	260,259	303,592	327,783	1,452	164,415
Illinois.....	190,947	94,867	915,788	2,674,256	12,482	.....	43,276
Indiana.....	163,382	78,619	708,919	1,650,807	1,172	.....	70,922
Iowa.....	164,752	112,777	855,957	1,233,326	464	.....	19,885
Kansas.....	147,179	51,805	615,462	901,683	.....	10,257	419
Kentucky.....	185,122	81,913	1,106,097	2,550,251	29,565	.....	98,126
Louisiana.....	155,920	66,866	767,703	2,213,802	77,820	6,363	221,787
Maine.....	114,124	40,356	217,853	327,323	7,185	.....	141,322
Maryland.....	125,300	40,821	283,560	795,281	.....	.....	96,907
Massachusetts.....	111,787	34,838	188,679	1,508,299	.....	.....	99,975
Michigan.....	175,828	76,823	813,258	2,512,850	92,528	70	481,671
Minnesota.....	156,814	76,950	802,596	1,472,908	77,236	.....	299,613
Mississippi.....	174,570	107,567	1,187,321	2,270,771	201,832	6,404	244,955
Missouri.....	179,384	82,660	997,603	1,740,195	13,962	1,662	154,333
Montana.....	107,871	29,234	268,220	245,633	207,060	37,584	106,890
Nebraska.....	134,234	47,298	518,074	436,051	10,453	4,827	4,239
Nevada.....	93,190	16,230	113,601	51,563	34,298	21	11,675
New Hampshire.....	99,925	21,816	119,933	217,996	24,581	.....	83,272
New Jersey.....	126,470	42,509	221,254	1,320,055	.....	.....	114,022
New Mexico.....	106,935	33,153	250,234	389,552	112,927	13,466	3,735
New York.....	199,505	123,010	750,628	4,180,603	.....	547	243,666
North Carolina.....	213,768	123,562	1,425,604	3,367,641	60,697	1,549	285,098
North Dakota.....	118,147	30,907	402,617	277,302	31	37,596	5,414
Ohio.....	199,336	84,365	995,567	2,786,517	2,585	.....	64,032
Oklahoma.....	168,367	66,955	879,252	1,890,474	25,529	5,571	56,644
Oregon.....	116,589	55,356	321,619	1,657,376	1,669,629	4,310	834,283
Pennsylvania.....	247,877	99,972	886,945	2,729,873	20,896	1,580	148,414
Rhode Island.....	92,857	26,553	64,890	215,822	.....	.....	30,252
South Carolina.....	159,224	78,956	818,602	2,042,116	87,740	80	352,402
South Dakota.....	117,733	38,097	386,295	30,478	70,758	27,720	11,848
Tennessee.....	179,992	85,952	1,083,629	2,479,495	20,306	.....	124,394
Texas.....	263,213	160,800	1,871,133	4,470,657	103,403	16,522	173,892
Utah.....	102,170	48,596	197,614	475,232	102,297	319	24,970
Vermont.....	102,078	21,824	162,082	182,772	29,845	.....	52,509
Virginia.....	172,934	75,240	857,874	1,838,273	40,960	.....	234,826
Washington.....	128,797	58,113	397,199	983,836	834,720	.....	740,162
West Virginia.....	155,169	56,012	537,568	1,386,229	25,467	92	189,145
Wisconsin.....	160,153	80,266	760,652	1,442,361	52,999	.....	282,097
Wyoming.....	97,829	25,445	178,973	157,159	117,074	11,399	2,871
Alaska.....	.....	.....	23,950	11,338	11,063	.....	.....
Hawaii.....	98,679	18,493	171,712	230,974	.....	.....	6,760
Puerto Rico.....	152,082	63,484	511,295	2,652,356	4,007	.....	4,162
Virgin Islands.....	.....	.....	.....	54,903	.....	.....	.....
Advances and other undistributed.....	.....	.....	.....	.....	.....	.....	.....
Total.....	7,355,110	3,134,552	29,961,223	73,501,766	6,040,470	248,949	9,275,652

NOTE.—This table does not include Federal payments to State and local governments for State and local taxes or in lieu of such taxes on federally owned property as follows: Housing under supervision of Public Housing Administration, including (a) Defense and war housing constructed under Lanham Act (42 U. S. C. 1521) and other acts; (b) resettlement and rehabilitation authorized by act of June 29, 1936 (40 U. S. C. 431); and (c) certain low-rent housing authorized by U. S. Housing Act of 1937, as amended (42 U. S. C. 1401); and housing and other property owned by Tennessee Valley Authority and certain other Government agencies.

¹ Includes \$14,474,764, value of commodities distributed to schools.

² Includes \$57,096 payments to school funds, Arizona and New Mexico.

³ Comprises \$8,721,178 under forest fire cooperation, \$540,861 under farm and other private forestry cooperation, and \$13,613 under flood control.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Department of Agriculture—Continued		Department of Commerce: Civil Aeronautics Administration, Federal airport program—Regular grants	Department of the Interior			
	Supply and distribution of farm labor—Emergency grants	Exportation and domestic consumption of agricultural commodities ⁴		Federal aid, Wildlife Restoration, Fish and Wildlife Service—Regular grants	Payments from receipts under Mineral Leasing Act—Shared revenues	Payments from receipts under Migratory Bird Conservation Act and Alaska game law ⁶ —Shared revenues	Payments under certain special funds ⁶ —Shared revenues
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Alabama		\$1,162,738	\$479,260	\$25,124	\$43	\$49	\$195
Arizona		122,955	1,123,703	74,584	5,923	4	322,980
Arkansas		994,345	834,481	60,896	302	1,602	112
California	• \$455	1,342,136	3,083,684	226,899	2,608,592	98	20,321
Colorado		347,536	688,192	137,561	1,211,581		15,702
Connecticut	• 680	190,536	19,830	23,621			
Delaware		125,909	7,745	6,803		429	
District of Columbia		60,715					
Florida		675,101	213,614	53,968	4	187	1,828
Georgia		1,291,212	658,594	145,002		3,334	
Idaho		123,579	355,108	48,186	4,203	1,881	16,708
Illinois		1,543,155	1,822,989	132,004		761	19
Indiana		511,943	473,341	149,145			
Iowa		604,092	730,130	48,519		991	2
Kansas		492,253	494,876	63,569	9,758		98
Kentucky		839,691	276,189	59,916		335	
Louisiana	• 15,507	992,822	330,423	43,127	10,197	14,013	46
Maine		188,187	54,434	58,531		277	
Maryland	• 6,922	477,197	753,515	41,959		1,314	
Massachusetts		1,156,624	227,098	9,574		149	
Michigan		1,501,876	997,932	190,659		3,420	
Minnesota		719,185	681,454	89,085		3,574	30
Mississippi		800,537	160,889	33,219		627	386
Missouri		618,935	868,183	229,717		2,090	2
Montana		109,954	245,381	218,731	320,274	6,446	31,691
Nebraska		296,292	248,022	157,138	38	9,429	472
Nevada		47,566	705,504	17,645	7,580	2,393	320,941
New Hampshire		119,355	37,539	40,333			
New Jersey		827,704	337,270	65,180		123	
New Mexico		348,838	184,747	20,271	1,699,896	549	28,942
New York	• 4,175	2,683,767	3,882,472	255,107		1,469	
North Carolina		1,196,914	296,064	96,711		295	
North Dakota		1,158,968	65,846	65,153	12,083	5,149	1,041
Ohio		2,065,703	248,989	197,351			
Oklahoma		864,511	749,425	75,489	3,290	4,818	210
Oregon		236,920	168,668	237,786	431	17,086	2,223,727
Pennsylvania	• 17,064	1,583,183	1,632,374	311,203			
Rhode Island		141,645		6,115			
South Carolina		966,722	158,165	63,521		18	
South Dakota		168,828	253,866	169,156	3,743	1,251	3,626
Tennessee		1,086,025	619,212	19,590		18	
Texas		1,606,146	1,424,994	254,585		3,425	
Utah		244,813	702,859	123,620	247,577	1,218	20,264
Vermont		94,442	190,322	54,645		167	
Virginia		1,063,412	563,388	114,900		1,228	
Washington		568,174	922,821	130,964	1,039	662	3,474
West Virginia		657,696	288,573	82,171			
Wisconsin		436,130	755,273	108,628		5,708	79
Wyoming		91,935	28,560	111,401	3,388,536	41	62,260
Alaska		67,757		35,793	188	58,274	
Hawaii		134,383	344,991	2,954			
Puerto Rico		753,279					
Virgin Islands		47,448					
Advances and other undistributed							
Total	• 44,803	35,551,769	30,390,992	4,987,810	9,535,276	154,903	3,075,156

• Deduct.

⁴ Reported on basis of total cost to Government of commodities as delivered during 1949 to distributing agencies.⁵ Comprises payments of \$97,098 under Migratory Bird Conservation Act, and \$57,804 under Alaska game law.⁶ Comprises payments of \$251,992 under Grazing Act, public lands; \$63 under Grazing Act, Indian ceded lands; \$2,210,601 to counties, Oregon and California land-grant fund; \$300,000 each to Arizona and Nevada under Colorado River Dam fund, Boulder Canyon project; and \$12,500 under payments to States of 5% of proceeds from sales of public lands and materials.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Department of the Army: Lease of flood control lands—Shared revenues	Federal Security Agency					
		American Printing House for the Blind—Regular grants	Office of Education		Public Health Service		
			Colleges for agriculture and mechanic arts—Regular grants	Cooperative vocational education—Regular grants	Venereal disease control—Regular grants	Tuberculosis control—Regular grants	General health assistance—Regular grants
(15)	(16)	(17)	(18)	(19)	(20)	(21)	
Alabama		\$5, 269	\$102, 333	\$717, 483	\$518, 110	\$150, 362	\$287, 616
Arizona		871	75, 698	170, 349	48, 777	52, 867	62, 481
Arkansas	\$18, 948	2, 443	92, 248	542, 950	235, 458	101, 699	211, 292
California	66, 834	2, 868	148, 834	1, 077, 355	417, 577	280, 477	543, 571
Colorado	2, 456	1, 211	82, 820	221, 006	80, 033	62, 317	102, 305
Connecticut	68	913	89, 508	253, 523	57, 535	120, 595	102, 916
Delaware			73, 042	145, 117	26, 820	32, 873	25, 083
District of Columbia		255		86, 864	149, 641	67, 165	54, 567
Florida		2, 549	91, 655	343, 706	423, 632	189, 510	190, 781
Georgia		3, 548	105, 651	767, 189	825, 622	250, 829	307, 127
Idaho		404	75, 990	159, 956	62, 380	23, 555	59, 877
Illinois		6, 118	160, 131	1, 206, 815	944, 311	261, 868	548, 787
Indiana		2, 294	109, 121	664, 484	264, 375	123, 191	285, 604
Iowa		3, 080	98, 969	567, 583	87, 652	47, 974	186, 723
Kansas	25, 605	1, 508	90, 555	389, 634	82, 920	103, 044	161, 497
Kentucky	1, 406	2, 804	102, 477	704, 256	396, 659	213, 151	286, 803
Louisiana	375	2, 379	96, 979	482, 365	474, 758	154, 564	233, 498
Maine			79, 669	166, 655	43, 183	27, 867	87, 574
Maryland	125	2, 316	90, 786	310, 549	194, 586	156, 725	148, 453
Massachusetts	574	5, 438	119, 267	553, 393	135, 461	282, 908	312, 835
Michigan		5, 354	129, 988	903, 472	331, 984	277, 361	397, 681
Minnesota	225	3, 569	101, 868	574, 157	105, 532	112, 300	229, 625
Mississippi	20, 357	2, 103	94, 924	633, 984	696, 415	189, 172	275, 437
Missouri	37, 899	2, 422	113, 194	757, 570	246, 979	119, 527	309, 244
Montana		531	76, 385	173, 219	28, 570	21, 296	54, 583
Nebraska	2, 262	956	85, 018	304, 890	78, 284	45, 115	110, 944
Nevada			71, 258	73, 705	22, 318	8, 185	32, 294
New Hampshire	991		75, 610	134, 543	23, 803	14, 983	54, 246
New Jersey		2, 103	117, 480	546, 041	271, 184	136, 303	282, 273
New Mexico		1, 784	76, 070	168, 393	141, 004	49, 398	69, 139
New York	3, 769	10, 261	223, 837	1, 851, 437	495, 911	415, 710	793, 462
North Carolina		5, 970	110, 763	917, 575	637, 938	246, 048	352, 317
North Dakota	7, 418	637	77, 326	177, 597	39, 634	51, 123	64, 136
Ohio	9, 815	5, 906	148, 836	1, 171, 401	492, 192	266, 016	514, 115
Oklahoma	10, 086	2, 379	96, 666	551, 805	280, 100	141, 636	191, 803
Oregon	452	2, 528	82, 437	221, 397	77, 214	80, 911	118, 661
Pennsylvania	6, 671	8, 625	182, 990	1, 556, 300	503, 153	265, 639	739, 708
Rhode Island			78, 141	118, 396	33, 233	43, 074	55, 561
South Carolina		1, 636	91, 682	498, 568	445, 585	186, 824	208, 870
South Dakota	99	680	77, 338	162, 452	44, 493	33, 780	66, 665
Tennessee	5, 650	3, 548	103, 278	710, 974	414, 395	203, 062	272, 281
Texas	11, 491	5, 800	143, 212	1, 376, 783	991, 057	166, 530	541, 900
Utah		659	76, 281	166, 665	41, 031	22, 405	60, 013
Vermont	56		74, 100	143, 957	28, 930	23, 142	42, 900
Virginia	1, 899	2, 443	100, 561	626, 464	265, 103	235, 963	232, 793
Washington	564	1, 530	89, 815	328, 698	107, 899	93, 831	150, 479
West Virginia	707	2, 103	91, 707	432, 753	273, 526	111, 307	163, 734
Wisconsin		3, 399	105, 809	634, 126	93, 089	138, 087	236, 338
Wyoming			72, 862	155, 418	25, 882	12, 355	42, 508
Alaska			50, 000		49, 176	103, 773	38, 438
Hawaii		319	74, 831	165, 000	38, 514	81, 816	47, 991
Puerto Rico		1, 487	50, 000	394, 555	326, 504	170, 135	255, 847
Virgin Islands					18, 260	15, 715	7, 519
Advances and other undistributed							
Total	236, 802	125, 000	5, 030, 000	26, 145, 531	13, 138, 382	6, 786, 066	11, 212, 895

¹ Comprises \$8,638,762 for venereal disease control, \$4,134,926 for rapid-treatment, facilities, and \$364,694 for venereal disease case finding demonstrations.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Security Agency—Continued						
	Public Health Service—Continued		Social Security Administration				
	Mental health activities—Regular grants	Hospital survey and planning—Regular grants	Maternal and child health services—Regular grants	Services for crippled children—Regular grants	Child-welfare services—Regular grants	Emergency maternity and infant care—Emergency grants	Old-age assistance—Regular grants
	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Alabama	\$54,950	\$764,872	\$495,122	\$286,324	\$113,034	\$763	\$13,411,848
Arizona	16,371	65,594	89,837	100,534	43,897		3,718,027
Arkansas	34,832	225,250	248,955	205,962	96,138	2,183	9,416,075
California	164,452	299,998	303,088	325,404	108,639		72,387,503
Colorado	31,169	900	145,877	51,816	46,526		15,492,746
Connecticut	51,043	30,771	100,925	140,373	40,794		4,867,791
Delaware	24,576		72,514	22,862	20,701		383,627
District of Columbia	24,379		130,216	107,499	21,063		763,357
Florida	64,849	1,012,501	204,013	128,150	49,103	6,193	18,619,233
Georgia	89,729	503,251	512,770	254,437	97,495		16,307,329
Idaho	14,000	52,017	94,705	57,939	19,776	494	3,184,729
Illinois	115,999	998,733	296,649	269,662	121,873	7,525	37,946,019
Indiana	50,000	82,040	197,362	112,793	40,977		13,031,603
Iowa	59,550	73,362	106,657	145,671	112,339	2,848	15,020,197
Kansas	55,297	170,856	127,552	71,718	82,706		10,873,086
Kentucky	61,977	354,474	366,094	260,243	106,262	400	9,543,793
Louisiana	45,812	595,270	344,140	187,574	67,175		37,099,480
Maine	20,833	164,727	95,107	68,370	60,109		3,557,613
Maryland	56,006	33,056	256,497	159,510	51,432		3,180,875
Massachusetts	104,472	210,569	301,272	139,362	51,316		31,996,012
Michigan	132,097	93,773	293,933	203,727	103,956	6,296	28,177,240
Minnesota	70,218	70,537	227,588	157,695	108,306	700	16,352,254
Mississippi	81,716	279,682	339,116	250,891	100,149	1,725	8,522,161
Missouri	20,000		161,701	162,137	109,951		36,374,046
Montana	24,576	91,034	69,701	77,048	44,122	4,087	3,554,211
Nebraska	22,963	59,858	105,096	83,774	42,411	* 18,415	7,202,814
Nevada	10,128		50,941	17,197	35,140		817,782
New Hampshire	24,576	1,976	66,421	44,935	29,754		1,973,054
New Jersey	115,496	579,347	137,034	191,106	40,600	10,339	7,094,892
New Mexico	19,766	76,535	146,689	74,377	28,311		2,424,198
New York	259,790	113,258	510,785	181,590	76,668	18,702	36,975,878
North Carolina	93,943	621,871	339,364	362,714	147,717		8,946,014
North Dakota	23,873	60,801	92,595	56,368	35,255	276	2,679,140
Ohio	204,598	54,751	338,437	228,814	76,508		38,139,774
Oklahoma	35,628	434,055	160,657	191,865	77,593	1,642	34,021,643
Oregon	18,619	239,122	100,314	72,574	47,646	2,001	7,216,546
Pennsylvania		197,645	448,968	342,958	148,816		24,739,655
Rhode Island	23,205		54,233	75,605	18,844		2,794,332
South Carolina	53,216	250,377	323,468	273,641	76,203		6,936,760
South Dakota	13,913	40,263	57,397	85,668	38,627		3,279,293
Tennessee	57,068	315,087	380,944	195,312	96,664	1,291	12,110,181
Texas	106,372	1,020,761	463,757	373,778	199,207	4,341	55,067,370
Utah	9,468	104,009	74,118	104,858	41,428		3,227,516
Vermont	11,803	59,372	53,811	52,417	35,076		1,681,980
Virginia	90,962	39,249	317,359	316,689	83,109	23	3,232,220
Washington	58,741	11,899	172,563	107,307	94,269		22,864,755
West Virginia	58,223	11,685	237,164	137,115	81,094		4,470,708
Wisconsin	64,029	120,994	188,200	186,257	98,713	754	13,846,787
Wyoming		19,294	44,317	20,568	24,410	325	1,388,985
Alaska	13,096	152,166	119,987	77,337	28,504		461,033
Hawaii	24,576		137,657	126,420	42,451	5,027	634,490
Puerto Rico	34,584	4,660	479,071	192,633	87,263		
Virgin Islands	6,824		57,510	40,237	19,280		
Advances and other undistributed							
Total	2,924,403	10,762,300	11,240,253	8,161,784	3,669,401	59,520	718,011,654

* Deduct.

* Comprises \$212,246 for hospital survey and planning and \$10,550,053 for grants for hospital construction.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Security Agency—Continued				Federal Works Agency		
	Social Security Administration—Continued			Office of Vocational Rehabilitation—Regular grants	Bureau of Community Facilities		
	Aid to dependent children—Regular grants	Aid to the blind—Regular grants	Unemployment compensation and Employment Service Administration—Regular grants		Public Works advance planning ² —Emergency grants	Veterans' educational facilities—Emergency grants	Community facilities ¹⁰ —Emergency grants
	(29)	(30)	(31)		(32)	(33)	(34)	(35)
Alabama.....	\$3,676,951	\$244,803	\$2,391,323	\$349,755	\$96,833	\$3,608	° \$37
Arizona.....	1,262,783	252,946	1,000,374	240,510	18,075	° 564	° 12
Arkansas.....	3,251,452	336,921	1,260,954	60,592	27,642	° 6,441	
California.....	8,210,121	2,955,923	16,640,498	1,452,502	91,272	° 275	6,226
Colorado.....	2,112,894	132,323	1,032,906	118,906	58,675	5,052	
Connecticut.....	1,193,524	50,697	2,403,702	354,754	147,316	9,685	
Delaware.....	225,515	41,603	325,071	149,961	116,455	1,315	
District of Columbia.....	735,175	68,938	1,002,259	30,972	6,456		1,194
Florida.....	7,054,419	923,175	2,099,980	575,348	94,445	584	
Georgia.....	3,389,687	500,113	2,012,895	891,280	96,829	25,693	2,143
Idaho.....	808,771	63,223	718,862	45,807	25,968	566	
Illinois.....	9,617,423	1,482,621	6,762,230	1,218,445	334,198	7,674	65,563
Indiana.....	3,283,879	550,940	2,747,975	351,138	233,813	13,065	
Iowa.....	1,753,344	403,267	1,200,425	204,083	104,965	21,547	
Kansas.....	2,049,413	247,817	1,186,657	186,250	42,138	10,410	1,589
Kentucky.....	4,973,040	357,991	1,371,200	176,202	177,060	5,090	° 55
Louisiana.....	7,325,451	451,234	1,853,642	438,264	157,209	76	
Maine.....	1,333,882	181,428	822,767	99,219	64,680	60,407	
Maryland.....	2,502,645	133,555	2,480,607	272,706	76,844	3,332	
Massachusetts.....	4,755,776	433,184	5,572,048	219,904	369,214	47,202	
Michigan.....	8,522,581	514,499	7,415,799	1,056,978	377,119	° 167	° 1,980
Minnesota.....	3,125,403	389,389	2,382,454	233,592	120,305	66,910	
Mississippi.....	1,755,625	512,285	1,483,358	348,503	5,499	1,406	
Missouri.....	9,029,350	—	2,128,953	420,731	137,231	26,981	
Montana.....	825,004	169,721	651,003	126,011	7,690	1,960	
Nebraska.....	1,313,067	173,552	748,009	171,242	° 64,161	24,441	
Nevada.....	—	—	461,126	18,670	53,181	11	
New Hampshire.....	487,698	94,369	706,236	45,858	23,518	1,161	
New Jersey.....	2,114,409	227,803	5,765,503	383,797	3,481	14,126	
New Mexico.....	1,794,159	125,594	665,425	78,941	438,239	234	
New York.....	19,578,122	1,347,193	18,624,552	1,217,230	420,826	339,548	
North Carolina.....	3,698,840	867,827	2,638,565	685,820	198,800	° 1,121	1,165
North Dakota.....	758,025	40,940	441,000	73,524	12,856	403	
Ohio.....	5,057,496	1,164,566	6,484,303	504,094	482,276	27,528	1,250
Oklahoma.....	9,767,103	892,720	1,580,330	437,498	43,096	1,585	° 121
Oregon.....	1,276,180	126,713	1,914,652	202,243	34,985	17,973	
Pennsylvania.....	18,169,538	—	10,669,273	1,329,923	906,861	14,762	
Rhode Island.....	1,172,163	45,647	1,129,578	93,181	37,580	58,893	
South Carolina.....	2,057,725	304,674	1,502,277	425,002	37,274	6,505	3,315
South Dakota.....	725,928	56,087	353,763	55,699	6,905	76,051	
Tennessee.....	6,674,425	568,029	2,431,686	529,120	201,200	37,840	° 5,826
Texas.....	6,159,039	1,709,502	4,644,537	830,199	74,022	° 1,146	39,375
Utah.....	1,398,436	65,311	808,008	121,262	27,267	11,284	174
Vermont.....	333,546	53,593	475,458	90,235	63,539	10,417	
Virginia.....	2,162,267	306,484	1,572,351	390,904	122,294	1,435	23,135
Washington.....	3,618,548	240,818	3,188,423	355,321	° 1,075	4,033	369,224
West Virginia.....	4,353,951	189,175	1,197,938	381,830	191,020	29,987	
Wisconsin.....	2,851,136	409,718	2,110,522	426,518	° 5,359	° 759	
Wyoming.....	194,971	35,292	375,839	51,366	17,325	1,895	
Alaska.....	108,695	—	377,902	—	47,585	—	
Hawaii.....	815,515	25,662	339,409	99,493	65,000	106	6,392
Puerto Rico.....	—	—	158,983	174,760	—	17,858	105,990
Virgin Islands.....	—	—	—	—	—	—	938,544
Advances and other undistributed.....	—	—	—	—	—	1,068,964	° 23,350
Total.....	189,415,088	20,469,865	140,313,590	18,765,171	6,450,980	2,075,585	1,533,898

^a Deduct.^b Repayable advances contingent upon future construction of Public Works projects.¹⁰ Includes \$938,544 for Virgin Islands public works.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	Federal Works Agency—Continued				Housing and Home Finance Agency: Public Housing Administration		Federal Power Commission: Payments to States under Federal Power Act—Shared revenues
	Bureau of Community Facilities—Con.	Public Roads Administration: Highway construction		Liquidation of Public Works Administration—Emergency grants	Federal annual contributions—Regular grants	Veterans' re-use housing program—Emergency grants	
	Maintenance and operation of schools ¹¹ —Emergency grants	Regular grants ¹²	Emergency grants ¹³				
	(36)							(37)	(38)	(39)	(40)	(41)	(42)
Alabama.....	\$313,347	\$4,563,360	\$27,845		\$44,117	\$264	\$43
Arizona.....	130,849	4,995,624	21,418			218,291	732
Arkansas.....	147,319	4,793,575	269,244				
California.....	26,201	21,608,542	240,756		10,833	2,193,476	15,189
Colorado.....		9,610,465					626
Connecticut.....		3,191,084	4,500		105,917	29,951	
Delaware.....		1,559,037					
District of Columbia.....		4,174,120	3,750		2,182	169,571	
Florida.....		4,768,445	934,595		12,374	1,062	5
Georgia.....	1,155,884	10,167,581	45,887		44,555	330	
Idaho.....	71,091	2,889,788	311,683		3,854	143,620	1,668
Illinois.....	27,252	17,705,582	75,591	\$3,180,852	93,837	132,286	
Indiana.....	20,635	7,589,033	18,350		31,412	10,651	
Iowa.....	6,893	9,490,428	92,917			16,361	
Kansas.....	228,298	9,880,427	32,470				
Kentucky.....	13,487	5,706,794	171,731		149,485	62,902	
Louisiana.....		4,779,768	317,062		470,019		
Maine.....	18,703	2,814,267	4,518				
Maryland.....		3,967,816	694,003		115,464		
Massachusetts.....		6,856,579			141,097	32,719	
Michigan.....	213,019	16,839,556	266,066		28,544	296,782	
Minnesota.....	1,120	11,746,120	26,576			386,420	11
Mississippi.....	106,942	8,316,793	32,973		15,851		24
Missouri.....	21,232	10,807,360	2,328			338	3
Montana.....		6,573,532	2,430	20,711	9,338	245,728	782
Nebraska.....	1,973	5,810,106		310,421	60,145	4,767	
Nevada.....	13,689	4,359,606	8,073			2,758	910
New Hampshire.....		2,163,302	7,372			5,579	
New Jersey.....		10,802,268	6,360		235,217	167,946	
New Mexico.....		5,216,023	32,750				7
New York.....	8,976	16,240,369	229,858		934,964	356,013	
North Carolina.....		9,899,816	112,707	10,460	74,828		36
North Dakota.....		6,617,050				35,310	
Ohio.....	102,764	11,723,939	5,834			311,988	
Oklahoma.....	222,864	6,980,579	12,551			1,386,274	
Oregon.....	34,887	6,099,091	786,971		7,636	247,827	
Pennsylvania.....	36,347	23,698,210	343,069		45,086	152,275	38
Rhode Island.....	58,409	2,280,429	7,656			4,266	
South Carolina.....	103,641	4,712,093	4,366	2,266,999	98,618		11
South Dakota.....	9,604	7,074,288	37,535			9,778	
Tennessee.....	228,014	9,798,889	2,830,886		112,989	422	
Texas.....	836,484	29,494,129	22,222		68,217	1,388,277	
Utah.....		3,957,811	126,222			15,440	1,333
Vermont.....		1,857,058				1,978	
Virginia.....		4,758,189	1,057,622		38,903	58,231	16
Washington.....	1,188,208	5,288,600	167,986		78,456	130,485	1,095
West Virginia.....	73,887	2,855,949			10,775	10,878	3
Wisconsin.....	20,400	13,096,141	21,677			7,142	4
Wyoming.....		5,263,960	66,335			45,596	225
Alaska.....	51,616						585
Hawaii.....		1,109,446	3,101,080			15,348	
Puerto Rico.....		1,190,631	82,959		243,305	1,056	26
Virgin Islands.....							
Advances and other undistributed.....						14,085,486	
Total.....	5,494,036	397,743,645	12,653,471	5,789,443	3,288,019	8,557,650	23,372

^a Deduct.¹¹ Distribution by States based on allotments.¹² Comprises \$13,975,183 for Federal-aid highway system; \$4,428,802 for Federal-aid secondary or feeder roads; \$9,868,137 for Federal-aid grade crossing elimination; \$367,328,899 for Federal-aid postwar construction program; \$1,794,865 for public lands highways; \$64,268 for flood relief; and \$283,492 for emergency relief and national industrial recovery funds.¹³ Comprises \$4,380,005 for access roads; \$2,134,017 for strategic highway network; \$1,075,182 for advance surveys and plans; \$24,529 for flight strips; \$2,994,750 for payment of claims; and \$2,044,987 for war and emergency damage (Hawaii).

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*

PART A. GRANTS TO STATES AND LOCAL UNITS—Continued

State	U. S. Maritime Commission: State Marine schools—Regular grants (43)	Veterans' Administration			Total grant payments (Part A) (47)
		State and territorial homes for disabled soldiers and sailors—Regular grants (44)	Supervision of on-the-job training—Regular grants (45)	Administration of unemployment and self-employment allowances—Regular grants (46)	
Alabama.....				\$426,552	\$35,504,092
Arizona.....			\$39,052	167,570	15,459,713
Arkansas.....			121,144	279,255	27,609,563
California.....	\$25,000	\$562,086	213,556	1,864,067	145,492,850
Colorado.....		28,650	87,995	184,133	33,423,393
Connecticut.....		268,550	147,782	309,558	15,276,090
Delaware.....			17,598	39,892	3,745,860
District of Columbia.....				129,662	7,923,336
Florida.....			147,568	434,143	41,778,524
Georgia.....			199,604	437,840	45,945,899
Idaho.....		23,766		74,005	10,741,893
Illinois.....		462,272	258,551	851,770	92,591,181
Indiana.....		91,720	113,983	297,885	34,129,576
Iowa.....		87,623	64,301	162,714	33,892,368
Kansas.....		14,076	71,445	137,981	29,112,308
Kentucky.....			80,397	418,550	31,291,878
Louisiana.....			98,143	359,314	60,919,933
Maine.....	45,666			201,224	11,168,060
Maryland.....			68,411	223,232	17,788,463
Massachusetts.....	43,245	176,789	228,301	792,725	57,200,685
Michigan.....		237,679	294,667	1,061,420	74,936,339
Minnesota.....		130,669	128,798	345,266	41,577,052
Mississippi.....			113,461	315,660	29,685,294
Missouri.....		27,042	147,664	433,767	66,486,376
Montana.....		13,643	36,313	91,344	14,929,547
Nebraska.....		65,372	83,896	103,818	18,799,185
Nevada.....			6,474	35,395	7,521,048
New Hampshire.....		15,139	45,870	109,695	6,915,489
New Jersey.....		64,086	79,171	759,328	33,202,280
New Mexico.....			43,696	106,275	14,970,252
New York.....	42,478	5,816		2,623,902	116,217,474
North Carolina.....			151,881	472,738	38,662,499
North Dakota.....		17,130		57,942	12,600,613
Ohio.....		223,021	171,449	958,095	75,514,211
Oklahoma.....			154,589	268,504	59,963,117
Oregon.....			51,574	314,868	25,939,802
Pennsylvania.....		72,211	370,590	1,713,919	94,308,483
Rhode Island.....		48,001	35,125	147,709	8,976,083
South Carolina.....			36,609	283,955	25,917,440
South Dakota.....		51,110	32,861	57,953	13,731,629
Tennessee.....			160,164	458,546	44,594,732
Texas.....			300,350	804,486	117,250,822
Utah.....			75,481	75,423	12,903,452
Vermont.....		2,467	6,553	68,372	6,961,446
Virginia.....			69,528	223,803	21,293,034
Washington.....		141,068	76,328	371,671	44,071,503
West Virginia.....			89,157	277,812	19,112,107
Wisconsin.....		70,643	53,240	309,862	39,172,053
Wyoming.....		5,973	7,144	38,028	12,184,356
Alaska.....				43,978	1,932,234
Hawaii.....				73,704	8,045,549
Puerto Rico.....					8,126,975
Virgin Islands.....					1,206,240
Advances and other undistributed.....				25,000	a 13,014,872
Total.....	156,390	2,906,653	4,770,831	20,824,312	1,854,789,515

a Deduct.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES
OTHER THAN GRANTS AND LOANS

State	Department of Agriculture: Agricultural conservation program ¹⁴	Department of the Army		Federal Security Agency		Federal Works Agency	
		Reimbursement for education of dependents of construction personnel; river and harbor and flood control	National Guard ¹⁵	Reconversion unemployment benefits for seamen	Public Health Service; Cancer control	Forest highways	Public Buildings Administration
	(48)	(49)	(50)	(51)	(52)	(53)	(54)
Alabama	\$4,548,723		\$2,699,913	\$15,612	\$59,323	\$166,296	
Arizona	647,696		770,042		7,642	352,392	
Arkansas	3,732,482	\$167,763	1,437,919	1,052	46,853	306,457	
California	9,716,287	7,766	6,441,278	543,525	124,010	1,353,014	
Colorado	5,293,833		1,305,929	588	21,376	557,680	
Connecticut	366,377		1,949,480		29,777		
Delaware	220,570		783,618	643	4,998		
District of Columbia			854,694	2,610	12,187		\$101,787
Florida	2,124,400		1,784,530	11,041	42,340	30,388	
Georgia	6,089,898		2,739,737	3,000	64,280	100,561	
Idaho	4,647,800		941,813		13,666	1,119,783	
Illinois	5,870,407		5,658,895	9,488	138,990		
Indiana	3,470,070		2,468,566	321	60,572		
Iowa	5,255,539		2,135,183	282	49,667		
Kansas	5,125,180		1,257,397	1,173	38,394		
Kentucky	5,135,523		1,357,816		63,551	101,621	
Louisiana	9,761,436		1,673,536	35,662	44,416		
Maine	778,338		1,220,338	8,000	17,414		
Maryland	1,030,401		1,762,409	69,460	34,803		
Massachusetts	593,498		4,096,813	99,983	79,155		
Michigan	4,565,584		3,603,340	4,546	86,424	222,165	
Minnesota	6,040,556		2,827,613	3,002	57,489	290,563	
Mississippi	5,105,040		1,457,607	1,205	58,806	89,991	
Missouri	4,626,013		2,467,403	7,363	38,999	53,617	
Montana	3,548,709	13,220	863,216	216	4,470	942,074	
Nebraska	4,316,981	26,037	1,041,347	239	17,670	2,229	
Nevada	129,200		575,609	566	7,306	209,644	
New Hampshire	443,792		807,140	1,622		27,456	
New Jersey	636,250		3,909,932	31,950	64,574		
New Mexico	1,052,113		849,860	460	13,515	297,610	
New York	4,710,990		9,315,686	694,193	215,276		
North Carolina	6,380,556		1,798,208	6,907	75,384	192,257	
North Dakota	3,677,287	15,417	892,258	217	13,675		
Ohio	5,250,811		5,078,051	1,683	103,121	11,155	
Oklahoma	5,360,214		2,314,936	2,759	44,164		
Oregon	2,462,319	189,282	2,161,640	85,201	14,917	2,188,226	
Pennsylvania	5,115,912		5,712,327	45,538	151,036	999	
Rhode Island	79,571		842,807	26,557	10,497	30,116	
South Carolina	2,622,288		2,200,084	5,775	43,213	4,225	
South Dakota	3,182,887	75,974	939,797		13,253		
Tennessee	4,709,601		2,543,354	1,080	55,094		
Texas	14,468,859		5,971,821	18,295	92,021	88,844	
Utah	1,663,880		1,065,170	1,571	12,673	211,450	
Vermont	914,046		929,499	550	10,081	2,033	
Virginia	3,261,740		1,663,674	34,115	23,897	167,947	
Washington	2,134,173	5,495	2,080,577	119,402	36,321	730,042	
West Virginia	1,678,173		1,244,592		36,964	2,296	
Wisconsin	4,440,670		2,498,097	410	58,537	128,388	
Wyoming	1,713,487		737,124	60	9,322	251,432	
Alaska	16,805		13,462	819	6,287	546,284	
Hawaii	7,684,349		1,743,128	1,600	11,225		
Puerto Rico	15,741,325		1,569,986		20,000		
Virgin Islands	73,456				1,250		
Advances and other undistributed							
Total	202,166,095	500,954	115,149,340	1,900,341	2,360,905	10,779,235	101,787

¹⁴ Comprises payments of \$147,093,859 under conservation and use of agricultural land resources, and \$55,072,236 under the Sugar Act.

¹⁵ Includes \$28,025,300 for air activities.

TABLE 98.—*Expenditures made by the Government as direct payments to States under cooperative arrangements and expenditures within States which provided relief and other aid, fiscal year 1949—Continued*PART B. FEDERAL AID PAYMENTS TO INDIVIDUALS, ETC., WITHIN THE STATES
OTHER THAN GRANTS AND LOANS—Continued

State	Federal Works Agency—Con.	Veterans' Administration		Total payments within States (Part B)	Grand total (Parts A and B)
	Bureau of Community Facilities: Disaster and emergency relief, etc. ¹⁵	Automobiles, etc., for disabled veterans	Readjustment benefits (Public Law 346, June 22, 1944) and vocational rehabilitation (Public Law 16, Mar. 24, 1943)		
	(55)	(56)	(57)	(58)	(59)
Alabama		\$143,748	\$90,735,314	\$98,368,929	\$133,873,021
Arizona	\$39,529	35,048	15,041,753	16,894,102	32,353,815
Arkansas	3,113	68,695	60,149,097	65,913,431	93,522,994
California		341,799	208,964,333	227,492,012	372,984,862
Colorado	47,331	75,099	40,098,295	47,400,131	80,823,524
Connecticut	5,397	71,866	34,815,689	37,238,586	52,514,676
Delaware		17,600	5,194,435	6,221,864	9,967,724
District of Columbia		60,765	40,254,314	41,286,357	49,209,693
Florida	66,057	71,432	65,517,108	69,647,296	111,425,820
Georgia	135,610	127,903	80,679,653	89,890,642	135,836,541
Idaho	64,505	14,363	13,102,238	19,904,168	30,646,061
Illinois	6,803	319,231	174,683,700	186,687,514	279,278,695
Indiana	2,097	152,764	69,402,941	75,557,331	109,686,907
Iowa		105,467	47,124,847	54,670,985	88,563,353
Kansas	3,048	81,761	25,311,140	31,818,093	60,930,401
Kentucky	51,763	202,761	53,278,362	60,191,397	91,483,275
Louisiana	9,506	77,509	77,574,034	89,176,129	150,096,062
Maine	26,150	67,021	16,845,903	18,963,164	30,131,224
Maryland		95,695	33,476,979	36,469,837	54,258,300
Massachusetts		189,890	103,582,457	108,641,796	165,842,481
Michigan		268,083	109,998,808	118,748,950	193,685,289
Minnesota	34	103,843	62,183,441	71,506,541	113,083,593
Mississippi	32,458	106,782	71,343,796	78,195,685	107,880,979
Missouri	9,162	129,481	105,057,586	112,389,624	178,876,000
Montana	40,000	27,171	11,385,404	16,824,480	31,754,027
Nebraska	95,106	39,967	24,713,825	30,253,401	49,052,586
Nevada	116,092	4,800	1,967,482	3,010,699	10,531,747
New Hampshire		22,398	11,175,876	12,478,284	19,393,773
New Jersey		217,242	72,524,630	77,384,578	110,586,858
New Mexico		19,168	15,075,235	17,307,961	32,278,213
New York	4,961	654,893	285,509,391	301,105,390	417,322,864
North Carolina		191,563	103,443,900	112,085,775	150,751,274
North Dakota		26,405	11,773,179	16,465,062	29,065,675
Ohio	66,624	375,312	140,181,028	151,001,161	226,515,372
Oklahoma		74,944	67,507,207	75,304,224	135,267,341
Oregon		51,167	33,947,924	41,100,676	67,040,478
Pennsylvania		480,818	250,088,692	261,595,322	355,903,805
Rhode Island		60,767	20,698,431	21,748,746	30,724,829
South Carolina		55,696	58,107,907	63,129,188	89,046,629
South Dakota	94,738	25,562	8,779,249	13,111,460	26,843,089
Tennessee		105,400	105,100,855	112,515,384	157,110,116
Texas	223	385,043	205,245,669	226,270,775	343,521,597
Utah	150,000	19,196	19,951,559	23,075,499	35,978,951
Vermont	3,365	14,399	8,149,461	10,023,434	16,084,880
Virginia		79,430	48,409,217	53,640,020	74,933,054
Washington		55,978	43,085,040	48,627,584	92,609,097
West Virginia	¹⁷ 380,556	110,322	30,209,448	33,281,795	52,393,902
Wisconsin		169,261	55,239,841	62,535,204	101,707,257
Wyoming	125,000	11,197	4,980,229	7,827,851	20,012,207
Alaska			1,069,230	1,652,887	3,585,121
Hawaii	347,852		4,853,060	14,641,214	22,686,763
Puerto Rico		9,520	46,806,316	64,147,147	72,274,122
Virgin Islands				74,706	1,280,946
Advances and other undistributed	552,481	403,809	2,467,488	3,423,778	^a 9,591,094
Total	2,479,562	6,620,036	3,296,862,993	3,638,921,248	5,493,710,763

^a Deduct.¹⁵ Comprises \$1,186,234 for disaster relief; \$347,852 for Emergency relief, Territory of Hawaii; and \$945,475 for disaster surplus property.¹⁷ Includes expenditures for disaster relief, in Idaho and Oregon.

GOVERNMENT LOSSES IN SHIPMENT

TABLE 99.—*Status as of June 30, 1949, of the revolving fund established under authority of the Government Losses in Shipment Act*

I. RECEIPTS AND EXPENDITURES

	Cumulative through June 30, 1948	Fiscal year 1949	Cumulative through June 30, 1949
Receipts:			
Appropriations	\$602,000.00		\$602,000.00
Transferred (Sept. 21, 1939) from the securities trust fund	91,803.13		91,803.13
Recoveries of payments for losses	128,157.02	\$138,884.37	267,041.39
Repayments to the fund	3,924.32		3,924.32
Total receipts	825,884.47	138,884.37	964,768.84
Expenditures:			
Payments for losses	605,510.34	244,632.46	850,142.80
Other payments (refunds, etc.)	92.57		92.57
Total expenditures	605,602.91	244,632.46	850,235.37
Balance in fund	220,281.56	-105,748.09	114,533.47
	825,884.47	138,884.37	964,768.84

II. FUND ASSETS

Assets	June 30, 1948	Increase, or decrease (-), fiscal year 1949	June 30, 1949
Unexpended balances:			
To the credit of the disbursing officer	\$26,130.84	\$4,217.30	\$30,348.14
On the books of the Division of Bookkeeping and Warrants	194,150.72	-109,965.39	84,185.33
Total assets	220,281.56	-105,748.09	114,533.47

¹ Includes payments in an approximate total amount of \$15,000 to settle losses of stamps (unissued documentary internal revenue stamps and motor vehicle use tax stamps which were completely destroyed, and redeemed United States savings stamps) which do not represent an actual monetary loss to the Government.

TABLE 100.—*Reported value of shipments made by or for the account of Government departments and agencies under coverage of the Government Losses in Shipment Act, as amended, fiscal years 1938-49*

[In millions of dollars]

Fiscal year	Total shipments	Classification No. 1 (curren- cy, coin, bullion, specie, etc.)	Classification No. 2 (negoti- able securities)	Classification No. 3 (canceled coupons)	Classification No. 4 (all other)
1938	29,188	2,339	4,743	739	21,367
1939	39,504	4,069	7,193	820	27,421
1940	41,135	3,810	9,926	868	26,531
1941	51,633	12,620	24,766	873	43,374
1942	107,313	5,969	34,524	945	65,935
1943	276,320	5,735	143,994	1,136	125,454
1944	393,482	8,606	160,534	2,117	222,225
1945	455,318	6,970	194,933	3,171	250,243
1946	433,850	4,758	180,081	3,151	245,860
1947	442,156	4,509	161,321	3,289	273,019
1948	403,652	3,528	155,138	3,176	241,811
1949	405,111	4,564	148,285	3,166	249,096
	3,108,644	67,418	1,225,439	23,450	1,792,336

NOTE.—Classifications Nos. 1, 2, and 3 include classes of valuables which were covered by Treasury's insurance contracts with private companies prior to enactment of the Government Losses in Shipment Act. The classes of valuables included in Classification No. 4 were not, as a general practice, insured by the Government prior to the effective date of the act.

TABLE 101.—*Estimated amounts of insurance premium savings to the Government on shipments made by or for the account of Government departments and agencies under coverage of the Government Losses in Shipment Act, as amended; calculated on three different bases, fiscal years 1938-49*

Fiscal year during which shipments were made	Estimated insurance premium savings, calculated on basis of premium rates in effect for—		
	Fiscal year 1938 ¹	Fiscal year 1937 ²	Fiscal years 1936-38 ³ (average)
1938	\$160,000	\$200,000	\$192,000
1939	456,000	515,000	503,000
1940	504,000	575,000	537,000
1941	798,000	1,145,000	1,098,000
1942	863,000	1,239,000	1,188,000
1943	3,165,000	3,947,000	3,800,000
1944	3,584,000	4,471,000	4,503,000
1945	4,288,000	5,349,000	5,148,000
1946	3,929,000	4,901,000	4,718,000
1947	3,532,000	4,406,000	4,241,000
1948	3,380,000	4,216,000	4,058,000
1949	3,257,000	4,064,000	3,911,000
	27,916,000	35,028,000	33,697,000

¹ Year of lowest rates under insurance contract system.

² Year when estimates of insurance premium savings were presented to Congress.

³ Last three years of Government insurance contract system.

TABLE 102.—*Agreements of indemnity issued by the Treasury under authority of the Government Losses in Shipment Act, as amended, August 10, 1939-June 30, 1949*

Agreements of indemnity	Number	Amount
Issued through June 30, 1948	198	\$2,421,831.12
Issued during the fiscal year 1949	26	9,609.58
Total issued	224	2,431,530.70
Canceled through June 30, 1949	21	1,015,110.47
In force as of June 30, 1949	203	1,416,420.23

NOTE.—The Government has not sustained any actual monetary loss in connection with its liability under these agreements of indemnity.

TABLE 103.—*Number and amount of claims made and settled under authority of the Government Losses in Shipment Act, as amended, August 15, 1937-June 30, 1949*

Claims	Number	Amount
Total made through June 30, 1948	2,587	\$2,631,616.58
Made during the fiscal year 1949:		
Processed by the Division of Deposits	144	28,848.43
Processed by the Bureau of the Public Debt	916	238,517.17
Total made through June 30, 1949	3,647	2,898,982.18
Settled through June 30, 1948	2,556	2,620,309.27
Settled during the fiscal year 1949:		
Processed by the Division of Deposits:		
Approved for payment out of the fund	92	6,115.29
Settled by credit in appropriate accounts	54	20,368.40
Settled without payment or credit	5	1,790.24
Losses of paid armed forces leave bonds, not lost in shipment, settled outside the provisions of the Government Losses in Shipment Act, as amended, through the Bureau of the Public Debt, by reducing the outstanding public debt liability and crediting the appropriate accounts	8	1,647.13
Processed by the Bureau of the Public Debt:		
Approved for payment out of the fund:		
United States savings bond redemption cases	911	237,468.80
Armed forces leave bond redemption cases	5	1,048.37
Total claims settled through June 30, 1949	3,631	2,888,747.50
Unadjusted as of June 30, 1949 ¹	16	10,234.68
	3,647	2,898,982.18

¹ Excludes claims in process of adjustment by the Bureau of the Public Debt.

Interest at 5% from Jan. 1, 1928, to date of payment as directed by the Settlement of War Claims Act of 1928.	11,034,959.34	256,195.75		2,045,380.09	3 8,730,724.87	3 22,658.63	
Total payment through June 30, 1949	172,381,019.40	5,203,537.70		28,065,971.34	138,923,798.67	187,711.69	
Less 1/3 of 1% deduction from each payment:							
Agreement of Aug. 10, 1922	4 820,556.25	22,249.66		121,173.14	677,133.45		
Agreement of Dec. 31, 1928	5 40,410.74	3,767.97		19,156.68	17,486.09		
Private Law 509	4 938.55					938.55	
Net payments made to claimants through June 30, 1949	6,989	5,177,520.07	539	27,925,641.52	317	186,773.14	1
3. Balance due on accounts:							
Principal of awards:							
Agreement of Aug. 10, 1922	327	100,559,684.40		17,150.69	310	39,298,414.08	4
Agreement of Dec. 31, 1928	27	1,003,859.27		1,917.23	7	1,001,942.04	
Private Law 509	1	58,946.94				58,946.94	1
Interest to Jan. 1, 1928, at rates specified in awards:							
Agreement of Aug. 10, 1922		6,769.78		6,769.78			
Agreement of Dec. 31, 1928		774.36		774.36			
Accrued interest at 5% per annum from Jan. 1, 1928, on total amount payable as of Jan. 1, 1928, through June 30, 1949				6 16,218.78		59,323,472.76	
		125,306,301.86				144,766.13	
Balance due claimants through June 30, 1949	355	226,939,336.61		33	42,830.84	203,713.67	4

¹ Includes payments on account of interest to Jan. 1, 1928. Payments on this class of awards are first applied on account of the total amount payable as of Jan. 1, 1928, as directed by the Settlement of War Claims Act of 1928 until total of all payments on the 3 classes equals 80 percent of the amount payable Jan. 1, 1928. Payment of accrued interest since Jan. 1, 1928, on this class of claims deferred in accordance with act.

² Includes payments on account of interest to Jan. 1, 1928.

³ Payments made in accordance with Public Law 375, approved Aug. 6, 1947.

⁴ Represents deductions from payments that have been covered into the Treasury as miscellaneous receipts.

⁵ Of this amount, \$24,150.09 has been paid to the Government of Germany. A further sum of \$16,260.65 is payable in connection with the adjudication of late claims under the agreement of Dec. 31, 1928.

⁶ Interest accrued from Jan. 1, 1928, to Mar. 11, 1940, on \$26,612.06 representing awards plus interest to Jan. 1, 1928. No applications filed by claimants. Time for filing applications expired Mar. 11, 1940.

TABLE 105.—*Status of the Mexican claims fund, June 30, 1949*

	Amount
Claims certified for payment:	
By the Secretary of State:	
Decisions rendered by the General Claims Commission.....	\$201,461.08
Appraisals agreed upon by the Commissioners designated by the Governments of the United States and Mexico, pursuant to the general claims protocol between the United States and Mexico signed Apr. 24, 1934.....	2,599,166.10
Subtotal.....	2,800,627.18
By the American-Mexican Claims Commission:	
Decisions under the provisions of secs. 4 (b), 4 (c), and 5 (d) of the act.....	37,948,200.05
Total claims certified.....	40,748,827.23
Status of the fund:	
Credits:	
Payments received from Government of Mexico under the agreement of Nov. 19, 1941:	
Under the agrarian claims agreement of 1938.....	3,000,000.00
On exchange of ratifications of the agreement.....	3,000,000.00
Annual installments due from Government of Mexico through November 1948.....	17,500,000.00
Appropriation by Government of the United States on account of awards and appraisals made on behalf of Mexican nationals.....	533,658.95
Total credits.....	24,033,658.95
Debits: Amounts paid to American nationals:	
Fiscal year 1943.....	637,036.24
Fiscal year 1944.....	6,333,636.13
Fiscal year 1945.....	1,443,226.94
Fiscal year 1946.....	4,993,915.36
Fiscal year 1947.....	3,076,040.35
Fiscal year 1948.....	4,354,144.31
Fiscal year 1949.....	2,821,873.65
Total debits.....	23,659,872.98
Unexpended balance to the credit of the Chief Disbursing Officer June 30, 1949.....	373,785.97

MISCELLANEOUS

TABLE 106.—*Status as of June 30, 1949, of the special trust account for the payment of bonds of the Philippines, its provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress*

I. RECEIPTS AND EXPENDITURES (EXCLUSIVE OF PURCHASES AND SALES OF INVESTMENTS)

	Amount
Receipts:	
Taxes on exports.....	\$1,586,135.92
Interest on investments.....	893,871.60
Profits on investments.....	1,757.50
Deposit of Philippine Government.....	13,141.85
U. S. Treasury bonds received from the Philippine Government.....	6,269,750.00
Annual payments by the Philippine Government.....	6,895,589.37
Total receipts.....	15,660,246.24
Expenditures.....	
Balance in fund.....	15,660,246.24

TABLE 106.—*Status as of June 30, 1949, of the special trust account for the payment of bonds of the Philippines, its provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of acts of Congress—Continued*

II. FUND ASSETS

Assets	Face amount	Principal cost
Investments:		
U. S. Government bonds:		
2½% savings bonds, Series G-1947, 1948, and 1949	\$300,000.00	\$300,000.00
2½% Treasury bonds of 1952-55	2,423,300.00	2,476,565.82
2½% Treasury bonds of June 15, 1959-62	25,000.00	25,094.40
2½% Treasury bonds of 1952-54	361,550.00	372,396.50
2½% Treasury bonds of Dec. 15, 1959-62	832,000.00	843,728.05
2½% Treasury bonds of 1958-63	3,169,750.00	3,169,750.00
2½% Treasury bonds of 1955-60	1,100,000.00	1,100,000.00
2½% Treasury bonds of 1956-59	2,000,000.00	2,000,000.00
2½% Treasury bonds of 1956-59	3,265,500.00	3,338,327.69
2½% Treasury bonds of 1956-58	548,550.00	564,035.22
Total United States securities	14,025,650.00	14,189,897.68
Philippine Government bonds:		
4½% due December 1, 1950	33,000.00	33,683.40
5% due February 1, 1952	45,000.00	47,556.29
4½% due July 1, 1952	386,000.00	404,151.72
4½% due July 15, 1952	502,000.00	525,172.62
5% due April 1, 1955	21,000.00	19,877.50
4½% due May 1, 1957	5,000.00	5,477.20
4½% due July 1, 1957	96,000.00	108,849.76
4½% due March 1, 1958	46,000.00	51,180.96
4½% due April 1, 1958	81,000.00	94,784.69
4½% due April 1, 1959	73,000.00	78,178.24
4½% due September 15, 1959	41,000.00	45,971.68
4½% due October 1, 1959	33,000.00	39,023.90
4½% due October 15, 1959	7,000.00	7,845.22
Total Philippine securities	1,369,000.00	1,461,753.18
Total investments	15,394,650.00	15,651,650.86
Accrued interest purchased		2,704.24
Cash balance with Treasurer of the United States		5,891.14
Total		15,660,246.24

NOTE.—This statement does not include 862 shares of stock in Bank of the Philippine Islands formerly held in Philippine sinking fund, and transferred to this account under Public Law 300, approved August 7, 1939.

TABLE 107.—*Status of the war contract settlement program, June 30, 1949*

Contracting agency	Effectuated	Settled	Pending
	Number of contract terminations		
Department of the Air Force	18,646	18,574	72
Department of the Army	116,736	116,670	66
Department of the Navy	64,236	64,095	141
Reconstruction Finance Corporation	109,972	109,970	2
U. S. Maritime Commission	10,355	10,348	7
Total number	319,945	319,657	288
	Canceled commitments involved in terminations (in millions)		
Department of the Air Force	\$22,339	\$22,122	\$217
Department of the Army	24,168	24,142	36
Department of the Navy	16,751	16,622	129
Reconstruction Finance Corporation	1,748	1,742	6
U. S. Maritime Commission	942	939	3
Total canceled commitments	65,947	65,566	381

TABLE 108.—*Federal fiscal operations and the Nation's financial structure, fiscal years 1941-49*
 [In billions of dollars]

	1941	1942	1943	1944	1945	1946	1947	1948	1949
A. Federal fiscal operations: ¹									
Federal budget expenditures.....	13.4	34.2	79.6	95.3	98.7	60.7	39.3	33.8	40.1
Less: Federal budget receipts.....	7.2	12.7	22.2	43.9	44.8	40.0	40.0	42.2	38.2
Equals: Federal deficit, or surplus (-).....	6.2	21.5	57.4	51.4	53.9	20.7	-7.8	-8.4	1.8
Increase in general fund balance.....	7.7	1.1	6.5	10.7	4.3	-10.5	-10.9	1.6	-1.5
Net expenditures, or receipts (-), of trust accounts, etc. ²	-1	-2	-1	-3	-2.0	.6	.2	.8	.1
Net increase in Federal securities outstanding ³	6.8	21.7	63.8	61.8	56.5	10.8	-11.5	-6.0	.4
B. Federal budget expenditures and gross national product: ⁴									
Federal budget expenditures.....	13.4	34.2	79.6	95.3	98.7	60.7	39.3	33.8	40.1
Less: Expenditures not involving purchases of production ⁵	3.9	4.2	7.2	9.7	8.7	19.5	22.3	16.6	15.6
Equals: Federal purchases of goods and services.....	9.5	30.0	72.4	85.6	90.0	41.2	17.0	17.2	24.4
State and local purchases of goods and services.....	7.8	27.9	75.5	75.5	77.7	38.7	11.4	14.5	17.1
Gross private domestic investment.....	16.7	17.1	4.9	8.1	8.0	18.9	31.3	36.9	42.5
Net foreign investment.....	1.1	7.7	-1.2	-2.6	-2.1	2.0	7.4	5.8	7.8
Personal consumption expenditures.....	76.1	86.4	97.1	106.3	116.8	132.8	158.7	173.8	179.9
Gross national product.....	111.2	142.1	180.7	204.8	220.5	203.6	225.9	248.2	264.8
C. Federal budget receipts and charges against gross national product: ⁴									
Federal budget receipts.....	7.2	12.7	22.2	43.9	44.8	40.0	40.0	42.2	38.2
Less: Receipts not involving gross income flow ⁶	-4.7	-7.3	-7.4	(*)	.3	1.9	-3.5	-2.6	-3.1
Equals: Federal receipts chargeable to gross income flow.....	12.0	20.0	29.6	43.9	44.5	38.1	43.6	44.8	41.3
State and local receipts chargeable to gross income flow.....	9.3	9.7	9.8	10.0	10.4	11.3	12.9	14.8	16.0
Corporate undistributed profits, depreciation, etc. ⁷	11.9	14.3	16.1	19.1	22.2	16.1	19.4	23.2	26.8
Disposable personal income.....	81.9	102.2	129.6	137.1	150.2	151.7	164.6	181.3	196.1
Total gross income flow.....	115.1	146.2	185.0	210.1	227.2	217.3	240.4	264.1	280.1
Less: Government interest and transfer payments.....	3.9	4.1	4.3	5.3	6.7	13.7	14.6	15.9	15.4
Equals: Charges against gross national product.....	111.2	142.1	180.7	204.8	220.5	203.6	225.9	248.2	264.8
D. Major liquid assets of nonbank investors: Sources of expansion:									
Federal Government transactions: ¹									
Budget deficit, or surplus (-).....	6.2	21.5	57.4	51.4	53.9	20.7	-7.8	-8.4	1.8
Net expenditures, or receipts (-), of trust accounts, etc. ²	-1	-2	-1	-3	-2.0	.6	.2	.8	.1
Total.....	6.1	21.3	57.3	51.2	52.0	21.2	-6	-7.6	1.9

Other expansion factors:									
Increase in monetary stock									
Increases in commercial bank loans and investments other than Federal securities									
Miscellaneous factors ⁸									
2.9	.3	-1.6	-1.2	-1.1	2.3	1.0			
2.9	-3	3.1	3.1	4.5	7.2	6.8			
-1.1	.3	-2.2	-1.8	.2	2.2	-1.7			
Total other expansion factors									
4.7	.3	-3.9	1.2	4.6	10.5	8.4			
Total increases in major forms of liquid assets									
10.8	21.6	53.4	53.1	25.9	9.9	.8			
E. Major liquid assets of nonbank investors: Composition of increases: Currency and bank deposits: ⁹									
Commercial bank deposits: ¹¹									
Demand ¹²									
1.5	2.8	4.3	5.1	4.3	1.5	-2			
5.3	4.3	14.1	3.8	9.0	10.6	2.8			
.4	-3	1.9	3.7	6.0	5.3	2.4			
Time									
7.2	6.8	20.3	19.3	19.3	17.3	5.1			
3.6	14.8	33.1	37.9	33.8	8.5	4.8			
Total									
10.8	21.6	53.4	53.1	25.9	9.9	.8			
Federal securities ²									
Total increases in major forms of liquid assets									
F. Total absorption of Federal securities and expansion of currency and bank deposits:									
Increases in currency and bank deposits held by nonbank investors:									
Plus: Increase in Treasury general fund balance									
Equals: Total increase in deposits and currency									
Less: Increases accounted for by other expansion factors (D above)									
7.2	6.8	20.3	19.3	17.3	5.1	.9			
.7	.4	6.5	4.5	-10.5	-10.9	1.6			
4.7	.3	-3.9	23.8	6.9	-5.9	2.5			
			-6	4.6	10.5	8.4			
Equals: Net bank absorption of Federal securities									
3.2	6.8	30.7	22.7	2.2	-16.4	-3.9			

⁸ Less than \$50 million.

⁹ Operations of Foreign Economic Cooperation trust fund have been considered as budget, rather than trust account, operations for purposes of this table.

¹⁰ Includes net expenditures of clearing account for outstanding checks and telegraphic reports from Federal Reserve Banks; excludes changes in guaranteed securities outstanding.

¹¹ Gross public debt, and guaranteed securities of Federal Government held outside Treasury.

¹² Data on gross national product and its components are from Department of Commerce. Includes expenditures for interest, veterans' pensions and benefits, grants-in-aid to State and local governments, loans to foreign governments, loans by Government corporations, etc.

¹³ Comprises net excess of (1) items such as receipts from sales of surplus property over (2) social insurance contributions not entering into budget receipts and excess of corporate tax liabilities over corporate tax payments to Treasury.

⁷ Also includes corporate inventory valuation adjustment, excess of Government enterprise surplus over subsidies, and statistical discrepancy adjustment.

⁸ Reflects principally items in process of collection and, as a negative factor, increases in commercial bank capital accounts.

⁹ Excludes deposits in mutual savings banks since these institutions are classified as nonbank investors rather than as part of the commercial banking system.

¹⁰ Currency held outside commercial banks' excludes those currency items which constitute a part of noninterest-bearing debt of Federal Government.

¹¹ Total deposits, exclusive of Federal Government and commercial bank interbank deposits.

¹² Adjusted demand deposits, plus mutual savings banks' deposits in commercial banks.

TABLE 109.—*Assets and liabilities of the exchange stabilization fund, June 30, 1948 and 1949*

Assets and liabilities	June 30, 1948	June 30, 1949
ASSETS		
Cash:		
Treasurer of the United States, checking account.....	\$6,881,551.63	\$7,149,798.88
Federal Reserve Bank of New York, special account.....	11,556,338.78	51,958,320.52
Disbursing officers' balances and advance accounts.....	31,967.04	28,082.74
Total cash.....	\$18,469,857.45	\$59,136,202.14
Special accounts of Secretary of the Treasury in Federal Reserve Bank of New York:		
Special account No. 1, gold (Schedule 1).....	208,433,875.21	170,932,474.35
Due from foreign banks (foreign exchange):		
Swiss francs.....	377,992.11	87,250.10
Indian rupees.....	19,688,618.84	14,970,909.18
Mexican pesos.....	37,000,000.00	37,138,369.86
Pakistan rupees.....		3,479,376.36
Total due from foreign banks.....	57,066,610.95	55,675,905.50
Investments in United States Government securities (Schedule 2).....	20,000,000.00	20,000,000.00
Accrued interest receivable (Schedule 2).....	82,936.11	82,936.11
Accounts receivable.....	2.77	
Other accounts (deferred charges).....	15.00	
Commodity sales contracts (deferred charges).....	2,636.00	
Total assets.....	304,055,933.49	305,827,518.10
LIABILITIES AND CAPITAL		
Accounts payable:		
Vouchers payable.....	6,716.75	6,649.25
Employees' payroll allotment account, United States savings bonds.....	1,527.13	1,049.59
Miscellaneous.....	2,866,495.11	2,712,554.86
Total accounts payable.....	2,874,738.99	2,720,253.70
Reserve for expenses and contingencies (net).....	12,865,503.96	12,980,176.49
Capital account.....	200,000,000.00	200,000,000.00
Earnings less administrative expenses (Schedules 3 and 4).....	88,315,690.54	90,127,087.91
Total liabilities and capital.....	304,055,933.49	305,827,518.10

SCHEDULE 1. LOCATION OF GOLD HELD BY AND FOR ACCOUNT OF THE EXCHANGE STABILIZATION FUND¹

	June 30, 1948		June 30, 1949	
	Ounces	Dollars	Ounces	Dollars
Federal Reserve Bank of N. Y.....	2,533,163.807	88,660,733.23	2,483,973.944	86,939,088.04
U. S. Assay Office, New York.....	3,422,089.776	119,773,141.98	2,399,811.040	83,993,386.31
Total gold.....	5,955,253.583	208,433,875.21	4,883,784.984	170,932,474.35

¹ Excludes gold held by Treasurer of the United States.

TABLE 109.—*Assets and liabilities of the exchange stabilization fund, June 30, 1948 and 1949—Continued*SCHEDULE 2. UNITED STATES GOVERNMENT SECURITIES HELD BY THE
EXCHANGE STABILIZATION FUND

Issue	June 30, 1949			
	Face value	Cost	Average price	Accrued interest
2½% U. S. Treasury bonds of 1965-70	\$10,000,000	\$10,000,000	100.0000	\$72,690.21
2½% U. S. Treasury bonds of 1967-72	10,000,000	10,000,000	100.0000	10,245.90
Total U. S. Government securities	20,000,000	20,000,000	-----	82,936.11

SCHEDULE 3. EARNINGS OF THE EXCHANGE STABILIZATION FUND

Source	Jan. 31, 1934, through June 30, 1948	Jan. 31, 1934, through June 30, 1949
Profits on British sterling transactions	\$310,638.09	\$310,638.09
Profits on French franc transactions	351,527.60	351,527.60
Profits on gold bullion (including profits from handling charges on gold) ..	37,810,470.37	39,971,463.53
Profits on other gold and exchange transactions	40,000,000.00	40,000,000.00
Profits on silver transactions	105,371.27	102,735.27
Profits on sale of silver bullion to Treasury	3,473,362.29	3,473,362.29
Profits on investments	1,876,790.55	1,876,790.55
Interest on investments	6,198,066.89	6,698,066.89
Miscellaneous profits	800,466.15	800,466.15
Interest earned on foreign balances	1,732,970.87	2,287,970.87
Interest earned on Chinese yuan	1,975,317.07	1,975,317.07
Total earnings	94,634,981.15	97,848,338.31

SCHEDULE 4. ADMINISTRATIVE EXPENSES OF THE EXCHANGE STABILIZATION
FUND

Classification	Jan. 31, 1934, through June 30, 1948	Jan. 31, 1934, through June 30, 1949
Personal services	\$4,076,730.83	\$5,237,112.57
Travel	235,830.27	289,643.87
Transportation of things	584,981.44	612,020.39
Communications	477,636.97	503,996.16
Supplies and materials	58,038.99	71,046.67
Other	886,072.11	1,007,430.74
Total administrative expenses	6,319,290.61	7,721,250.40

TABLE 110.—*Approximate dollar value of foreign currency balances in accounts of the Treasurer of the United States on June 30, 1948 and 1949*

Currency	June 30, 1948	June 30, 1949	Increase, or decrease (—)
Indian rupees.....	\$12, 735, 959	\$10, 866, 873	—\$1, 869, 086
French francs.....	2, 127, 970	13, 048, 621	10, 920, 651
Egyptian pounds.....	1, 944, 617	10, 601, 161	8, 656, 544
Pakistan rupees.....	.....	2, 899, 755	2, 899, 755
Iraqi dinars.....	2, 358, 282	3, 534, 541	1, 176, 259
Iranian rials.....	2, 382, 876	2, 893, 639	510, 763
Japanese yen.....	429, 904	429, 904	.....
Burmese rupees.....	516, 539	397, 505	—119, 034
Israeli pounds.....	.....	357, 309	357, 309
Netherlands guilders.....	.....	281, 973	281, 973
Bolivian bolivianos.....	122, 507	236, 020	113, 513
German marks.....	335, 675	164, 466	—171, 209
Greek drachmas.....	.....	135, 924	135, 924
Chilean pesos.....	179, 438	135, 087	—44, 351
Belgian francs.....	13	103, 474	103, 461
Colombian pesos.....	232, 000	102, 860	—129, 140
Palestine pounds.....	887, 045	100, 813	—786, 232
Turkish pounds.....	.....	100, 000	100, 000
Icelandic kronur.....	97, 173	97, 512	339
Australian pounds.....	3, 080	89, 430	86, 350
Hongkong dollars.....	.....	60, 689	60, 689
British East African shillings.....	42, 738	42, 580	—158
Norwegian kroner.....	6	39, 597	39, 591
Hungarian forints.....	.....	29, 128	29, 128
Danish kroner.....	15	23, 894	23, 879
Czechoslovakian crowns.....	.....	12, 177	12, 177
Peruvian soles.....	54, 840	736	—54, 104
British West Indies dollars.....	.....	17	17
South African pounds.....	19	13	—6
Canadian dollars.....	.....	8	8
British pounds.....	93	.....	—93
British West African pounds.....	51, 134	.....	—51, 134
Cyprus pounds.....	11, 762	.....	—11, 762
Lebanese pounds.....	436, 332	.....	—436, 332
Newfoundland dollars.....	65	.....	—65
Siamese bahts.....	5, 386	.....	—5, 386
Syrian pounds.....	68, 650	.....	—68, 650
Total.....	25, 024, 118	46, 785, 706	21, 761, 588

TABLE 111.—*Indebtedness of foreign governments to the United States arising from World War I, and payments thereon as of November 15, 1919*

Country	Total indebtedness	Indebtedness			Payments				Total payments
		Principal		Interest	Principal		Interest		
		Due and unpaid 1	Other	Due and unpaid 1	Funded debts	Unfunded debts	Funded debts	Unfunded debts	
Armenia	\$29,783,062.81	\$11,959,917.49		\$17,823,145.32	\$862,668.00				\$862,668.00
Austria 2	26,024,539.59	9,210,580.77	\$16,793,899.89	44,058.93	17,100,000.00		\$14,490,000.00	\$18,543,642.57	52,191,273.24
Belgium	536,843,077.60	86,400,000.00	314,290,000.00	136,163,077.60		10,000,000.00		2,286,751.58	12,286,751.58
Cuba	193,422,279.36	42,651,108.90	122,590,000.00	28,181,170.46	19,829,914.17			304,178.09	20,134,092.26
Czechoslovakia	226,751,820.81	2,613,012.87	13,853,000.00	10,315,807.94			1,246,900.19	1,441.88	1,248,432.07
Estonia	7,928,698.93	7,392,903.50	4,535,695.43	1,607,095.50			5,786,568.90	309,315.27	8,702,980.67
France	4,914,818,584.40	997,604,405.18	2,866,043,394.00	1,051,168,584.40	161,350,000.00	64,689,588.18	38,650,000.00	221,386,302.82	486,075,891.00
Great Britain	7,023,259,301.93	675,000,000.00	3,693,000,000.00	2,655,259,301.93	232,000,000.00	202,181,641.56	1,232,775,999.07	357,896,657.11	2,024,884,297.74
Greece	3,006,418.73	17,341,000.00	14,175,000.00	7,318,815.10	73,905.50	2,922.67	1,983,980.00	1,159,153.34	4,127,066.01
Hungary 5	3,006,418.73	17,341,000.00	1,626,826.00	1,097,888.73			482,171.22	159,753.04	566,919.76
Italy	2,072,140,409.34	293,100,000.00	1,711,800,000.00	67,240,409.34	37,100,000.00	364,319.28	5,766,708.26	57,598,852.62	100,829,880.16
Latvia	311,071,852.04	1,070,264.20	5,809,200.00	4,192,887.84	9,200.00		621,520.12	130,828.95	761,549.07
Lithuania	39,926,410.25	951,000.00	5,246,682.00	3,728,728.25	234,783.00	26,000.00	1,001,626.61	10,471.56	36,471.56
Nicaragua 6	3,335,160,304.20	30,602,000.00	175,455,000.00	129,103,304.20		141,950.36		1,546.97	1,237,956.58
Poland	82,157,696.77	17,052,500.43	46,808,000.00	18,297,136.34	71,287,297.37		\$ 19,310,775.90	26,625.48	108,575.84
Romania 9	486,599,497.43	192,601,297.37		263,998,200.00	2,700,000.00	1,798,632.02	29,061.46	2,048,224.28	22,646,297.55
Russia	64,623,218.78	9,148,000.00	52,477,000.00	3,004,218.78				263,313.74	94,791,007.22
Rugoslavia 11					1,225,000.00	727,712.55		10 8,750,311.88	10 8,750,311.88
								636,059.14	2,588,771.69
Total	15,862,387,888.07	2,387,586,887.21	9,047,329,100.21	4,427,471,900.65	476,300,954.54	281,990,396.99	1,323,145,401.73	671,354,430.62	2,752,851,183.88

¹ Includes amounts postponed and unpaid under moratorium agreements for fiscal year 1932. For total principal and interest by country see Annual Report of the Secretary of the Treasury for 1947, p. 107.

² The German Government was notified on April 1, 1938, that the Government of the United States would look to the German Government for the discharge of the indebtedness of the Government of Austria to the Government of the United States.

³ Increase over amount funded due to exercise of options with respect to the payment of interest due on original issue of bonds of debtor government.

⁴ Represents payments deferred.

⁵ The Hungarian Government deposited with the foreign creditors' account at the Hungarian National Bank an amount of pesos equivalent to the interest payments due from December 13, 1932, to June 15, 1937. The debt-funding and moratorium agreements with Hungary provide for payment in dollars in the United States.

⁶ The United States held obligations in the principal amount of \$289,808.78, which, together with accrued interest thereon, were canceled on October 6, 1939, pursuant to agreement of April 14, 1938, between the United States and the Republic of Nicaragua, ratified by the United States Senate on June 13, 1938.

⁷ Excludes claim allowance of \$1,813,425.69 dated December 15, 1929.

⁸ Excludes payment by the Rumanian Government to the Treasury on June 15, 1940, of \$100,000 as "a token of its good faith and of its real desire to reach a new agreement covering" Rumania's indebtedness to the United States. Silver bullion in the amount of \$29,061.46 was paid to the United States on June 16, 1933, which payment was credited June 15, 1947.

⁹ Consists principally of proceeds of liquidation of assets of Russian Government in U. S. (See annual report of the Secretary for 1922, p. 283).

¹⁰ This Government has not accepted the provisions of the moratorium.

TABLE 112.—*World War I indebtedness of Germany to the United States and amounts paid and not paid, June 30, 1949*

PART I. INDEBTEDNESS OF GERMANY, JUNE 30, 1949

Class	Indebtedness as funded	Total indebtedness, June 30, 1949 ¹	Principal	Interest accrued and unpaid
Army costs (reichsmarks)	1,048,100,000	1,111,509,064.00	997,500,000	² 114,009,064.00
Mixed claims (reichsmarks)	2,121,600,000	2,355,690,000.00	2,040,000,000	315,690,000.00
Total (reichsmarks)	3,169,700,000	3,467,199,064.00	3,037,500,000	429,699,064.00
Total (in dollars, at 40.33 cents to the reichsmark)	\$1,278,340,010	\$1,398,321,382.51	\$1,225,023,750	\$173,297,632.51

¹ Includes interest accrued under unpaid moratorium agreement annuities.² Includes 4,027,611.95 reichsmarks deposited by German Government in Konversionskasse für Deutsche Auslandschulden and not paid to the United States in dollars as required by debt and moratorium agreements.

PART II. PAYMENTS RECEIVED FROM GERMANY THROUGH JUNE 30, 1949

Class	Total payments received through June 30, 1949	Payments of principal	Payments of interest
Army costs (reichsmarks)	51,456,406.25	50,600,000.00	856,406.25
Mixed claims (reichsmarks)	87,210,000.00	81,600,000.00	5,610,000.00
Total (reichsmarks)	138,666,406.25	132,200,000.00	6,466,406.25
Total (in dollars)	\$33,587,809.69	\$31,539,595.84	\$2,048,213.85

PART III. AMOUNTS NOT PAID BY GERMANY ACCORDING TO CONTRACT TERMS, JUNE 30, 1949

Date due	Funding agreement		Moratorium agreement	Total
	Principal	Interest		
Total to June 30, 1948 (reichsmarks) ..	1,040,400,000	375,510,343.75	30,580,989.00	¹ 1,446,491,332.75
Sept. 30, 1948 (reichsmarks)	33,050,000	24,084,137.50	-----	57,134,137.50
Mar. 31, 1949 (reichsmarks)	33,050,000	24,823,593.75	-----	57,873,593.75
Total (reichsmarks)	1,106,500,000	424,418,075.00	30,580,989.00	1,561,499,064.00
Total (in dollars, at 40.33 cents to the reichsmark)	\$446,251,450	\$171,167,809.65	\$12,333,312.86	\$629,752,572.51

¹ See footnote 2, Part I.

TABLE 113.—*Accounts receivable under active agreements with foreign governments involving lend-lease articles or services and surplus property, June 30, 1949 (World War II)*

Country	Lend-lease settlement agreements	Surplus property agreements	Other lend-lease accounts	Total ¹
Australia.....	\$500,000.00		\$8,395,444.80	\$8,895,444.80
China.....	46,941,322.55		20,213,406.45	67,154,729.00
Czechoslovakia.....		\$7,500,110.25		7,500,110.25
Denmark ²			4,969.32	4,969.32
Ethiopia.....	200,000.00		3,857,777.78	4,057,777.78
France.....	353,300,000.00			353,300,000.00
India.....	2,336,102.67	10,856,969.69	165,212,575.84	178,405,648.20
Iran.....	711,753.36		111,391.93	823,145.29
Korea.....		24,927,595.80		24,927,595.80
Liberia.....			14,823,370.77	14,823,370.77
Middle East.....			15,996.40	15,996.40
Netherlands.....	48,000,000.00		40,346,553.70	88,346,553.70
New Zealand.....		4,207,732.18		4,207,732.18
Norway.....	5,900,000.00		74,004.75	5,974,004.75
Poland.....			250.00	250.00
Saudi Arabia.....			15,158,129.77	15,158,129.77
South Africa.....		1,296,567.74		1,296,567.74
Turkey.....			23,409.00	23,409.00
Union of Soviet Socialist Republics.....	221,916,702.51		10,146,923.95	232,063,626.46
United Kingdom.....	556,245,295.98	53,736,566.63	62,771,049.42	672,753,812.03
United Kingdom colonies.....			1,329.60	1,329.60
Yugoslavia.....	900,000.00			900,000.00
American Republics.....	25,465,644.22	487,531.20	21,323,704.42	47,276,879.84
Federal agencies.....			1,161.13	1,161.13
Total.....	1,262,416,821.29	103,013,073.49	362,482,349.03	1,727,912,243.81

¹ Includes \$42,294,718.14, which represents billings considered past due as of July 1, 1948, and items which are the subject of negotiations between the foreign governments and the Department of State.

² Not eligible for lend-lease.

OWNERSHIP OF GOVERNMENTAL SECURITIES

TABLE 114.—*Estimated ownership of all interest-bearing governmental securities outstanding, classified by type of issuer, June 30, 1937-49*[Par value.¹ In billions of dollars]

June 30	Total amount out- stand- ing	Held by banks			Held by nonbank investors						
		Total	Com- mer- cial banks	Federal Reserve Banks	Total	Indi- vid- uals ²	Insur- ance compa- nies	Mutual savings banks	Other corpora- tions and associa- tions ³	State, local, and territorial govern- ments ⁴	U. S. Govern- ment invest- ment ac- counts
I. Securities of U. S. Government and Federal instrumentalities guaranteed by United States ⁵											
1937.....	40.5	16.7	14.2	2.5	23.8	9.9	5.0	2.4	2.6	0.2	3.6
1938.....	41.4	16.3	13.7	2.6	25.1	9.5	5.5	2.7	2.4	.3	4.8
1939.....	45.3	17.9	15.3	2.6	27.4	9.8	5.9	3.0	2.5	.4	5.9
1940.....	47.9	18.6	16.1	2.5	29.3	9.7	6.5	3.1	2.5	.4	7.1
1941.....	54.7	21.8	19.7	2.2	32.9	10.9	7.1	3.4	2.4	.6	8.5
1942.....	76.5	28.7	26.0	2.6	47.8	17.9	9.2	3.9	5.4	.9	10.6
1943.....	139.5	59.4	52.2	7.2	80.0	30.3	13.1	5.3	15.5	1.5	14.3
1944.....	201.1	83.3	68.4	14.9	117.7	45.1	17.3	7.3	25.8	3.2	19.1
1945.....	256.8	106.0	84.2	21.8	150.8	58.5	22.7	9.6	29.8	5.3	24.9
1946.....	268.6	108.2	84.4	23.8	160.4	62.9	25.3	11.5	25.2	6.5	29.1
1947.....	255.2	91.9	70.0	21.9	163.3	66.1	25.0	12.1	20.1	7.1	32.8
1948.....	250.1	85.9	64.6	21.4	164.2	66.0	23.2	12.0	19.5	7.8	35.7
1949.....	250.8	82.4	63.0	19.3	168.4	68.0	20.9	11.6	21.6	8.0	38.3
II. Securities of Federal instrumentalities not guaranteed by United States ⁶											
1937.....	2.3	0.4	0.4	-----	1.9	0.9	(*)	(*)	0.2	-----	0.8
1938.....	2.3	.4	.4	-----	1.8	.8	(*)	(*)	.2	-----	.8
1939.....	2.3	.4	.4	-----	1.9	.8	(*)	(*)	.2	-----	.8
1940.....	2.2	.5	.5	-----	1.8	.7	(*)	(*)	.2	-----	.8
1941.....	2.2	.6	.6	-----	1.6	.6	(*)	(*)	.2	-----	.8
1942.....	2.2	.7	.7	-----	1.5	.6	(*)	(*)	.1	-----	.8
1943.....	1.9	.6	.6	-----	1.3	.6	(*)	(*)	.1	-----	.6
1944.....	1.5	.6	.6	-----	.9	.6	(*)	(*)	.1	-----	.2
1945.....	1.0	.5	.5	-----	.5	.4	(*)	(*)	.1	-----	(*)
1946.....	1.1	1.0	1.0	-----	.1	.1	(*)	(*)	(*)	-----	-----
1947.....	1.5	1.4	1.4	-----	1.1	1.1	(*)	(*)	(*)	-----	-----
1948.....	1.8	1.6	1.6	-----	1.2	1.1	(*)	.1	(*)	-----	-----
1949.....	.9	.7	.7	-----	.2	.1	(*)	.1	(*)	-----	-----
III. Securities of State and local governments, Territories, and possessions ⁷											
1937.....	19.3	2.8	2.8	-----	16.5	8.8	1.8	0.8	1.1	3.5	0.5
1938.....	19.3	2.8	2.8	-----	16.5	8.7	1.9	.7	1.1	3.6	.5
1939.....	19.8	3.2	3.2	-----	16.5	8.5	2.0	.6	1.3	3.7	.4
1940.....	20.0	3.6	3.6	-----	16.4	8.2	2.2	.6	1.2	3.8	.5
1941.....	20.0	3.7	3.7	-----	16.3	7.9	2.2	.5	1.1	3.9	.7
1942.....	19.5	3.6	3.6	-----	15.9	7.6	2.2	.4	1.1	3.9	.7
1943.....	18.5	3.5	3.5	-----	15.0	7.5	1.7	.2	1.1	3.8	.6
1944.....	17.3	3.5	3.5	-----	13.8	7.1	1.6	.2	1.0	3.4	.6
1945.....	16.4	3.8	3.8	-----	12.6	6.9	1.4	.1	.8	2.9	.5
1946.....	15.7	4.1	4.1	-----	11.6	6.8	1.2	.1	.7	2.4	.5
1947.....	16.6	5.0	5.0	-----	11.6	6.8	1.2	.1	.6	2.4	.5
1948.....	18.4	5.6	5.6	-----	12.8	7.6	1.3	.1	.8	2.5	.5
1949.....	20.5	6.0	6.0	-----	14.5	8.9	1.6	.1	.8	2.7	.4

* Less than \$50 million.

* Revised.

¹ Figures represent par values with the following exceptions: (1) The holdings of commercial and mutual savings banks of securities of Federal instrumentalities not guaranteed by the United States and of State and local governments, Territories, and possessions are book values, (2) the holdings of these securities by individuals are residuals, and so deviate from par values in those cases where the figures for commercial and mutual savings banks are book values, (3) in the case of data which include United States savings bonds Series A-D, E, and F, the figures for these bonds represent current redemption values.

² Includes partnerships and personal trust accounts.

³ Includes savings and loan associations, dealers and brokers, and investments of foreign balances in this country.

⁴ Comprises trust, sinking, and investment funds of State and local governments, Territories, and possessions.

⁵ Data on daily Treasury statement basis. Since data exclude noninterest-bearing debt, they differ slightly from those in discussion of debt ownership. Includes special issues to Federal agencies and trust funds, and excludes guaranteed securities held by the Treasury, and transactions in Commodity Credit Corporation demand obligations which had not been reported in time for inclusion in the statement published in the daily Treasury statement for the end of the fiscal year.

⁶ See table 115, footnote 4.

⁷ Excludes obligations of the Philippine Islands after June 30, 1946.

TABLE 115.—*Estimated distribution of interest-bearing governmental securities outstanding on June 30, 1937-49, classified by tax status and type of issuer*¹[Par value.² In millions of dollars]

June 30	U. S. Government (direct and guaranteed issues) ³					Federal instrumentalities (nonguaranteed issues) ⁴				State, local, and territorial governments (wholly tax-exempt) ⁵		
	Total	Tax-exempt		Tax-able ⁷	Special issues ⁸	Total	Tax-exempt		Tax-able ⁷	Total	Issues of States and localities	Issues of Territories and possessions ⁹
		Wholly ⁽⁶⁾	Partially ⁶				Wholly ⁽⁶⁾	Partially ⁶				
I. Total amount outstanding												
1937...	40,465	13,507	25,400	(*)	1,558	2,257	2,229	25	3	19,298	19,152	146
1938...	41,428	10,817	27,936	1	2,676	2,262	2,151	106	5	19,310	19,164	146
1939...	45,336	9,030	32,535	1	3,770	2,265	2,082	175	8	19,761	19,611	150
1940...	47,874	8,142	34,953	4	4,775	2,199	2,054	134	11	20,044	19,891	153
1941...	54,747	4,903	35,871	7,853	6,120	2,200	1,913	161	126	20,007	19,860	147
1942...	76,517	4,260	32,987	31,386	7,885	2,210	1,721	109	350	19,517	19,379	138
1943...	139,472	3,050	32,215	93,336	10,871	1,852	1,467	55	329	18,534	18,406	128
1944...	201,059	1,414	27,489	157,869	14,287	1,453	1,108	—	345	17,314	17,194	120
1945...	256,766	196	25,656	212,103	18,812	1,008	579	—	430	16,417	16,293	124
1946...	268,578	180	21,335	224,732	22,332	1,093	—	—	1,093	15,736	15,626	110
1947...	255,197	166	20,939	206,725	27,366	8497	—	—	8497	16,580	16,529	51
1948...	250,132	164	17,826	201,931	30,211	827	—	—	827	18,399	18,354	45
1949...	250,785	162	16,187	201,660	32,776	876	—	—	876	20,538	20,481	57
II. Held by U. S. Government investment accounts ¹⁰												
1937...	3,613	113	1,943	—	1,558	835	835	—	—	528	528	—
1938...	4,791	98	2,017	—	2,676	847	847	—	—	538	538	—
1939...	5,891	86	2,034	(*)	3,770	844	844	—	—	426	426	—
1940...	7,080	86	2,219	(*)	4,775	844	844	—	—	479	479	—
1941...	8,494	58	2,154	162	6,120	814	808	—	6	697	697	—
1942...	10,623	53	2,030	654	7,885	824	807	—	17	735	735	—
1943...	14,322	34	1,654	1,763	10,871	560	557	—	3	634	634	—
1944...	19,097	35	1,468	3,307	14,287	186	186	—	—	582	582	(*)
1945...	24,940	35	1,281	4,812	18,812	1	(*)	—	1	490	489	(*)
1946...	29,130	36	992	5,770	22,332	—	—	—	—	467	467	(*)
1947...	32,810	36	698	4,710	27,366	—	—	—	—	469	469	(*)
1948...	35,749	37	497	5,005	30,211	—	—	—	—	506	506	(*)
1949...	38,273	37	378	5,082	32,776	—	—	—	—	407	407	(*)
III. Held by Federal Reserve Banks												
1937...	2,526	1,794	732	—	—	—	—	—	—	—	—	—
1938...	2,564	1,820	744	—	—	—	—	—	—	—	—	—
1939...	2,551	1,640	911	—	—	—	—	—	—	—	—	—
1940...	2,466	1,128	1,339	—	—	—	—	—	—	—	—	—
1941...	2,184	775	1,213	196	—	—	—	—	—	—	—	—
1942...	2,645	634	1,181	830	—	—	—	—	—	—	—	—
1943...	7,202	306	1,323	5,574	—	—	—	—	—	—	—	—
1944...	14,901	49	943	13,908	—	—	—	—	—	—	—	—
1945...	21,792	—	873	20,919	—	—	—	—	—	—	—	—
1946...	23,783	—	529	23,254	—	—	—	—	—	—	—	—
1947...	21,872	—	529	21,343	—	—	—	—	—	—	—	—
1948...	21,366	—	559	20,807	—	—	—	—	—	—	—	—
1949...	19,343	—	210	19,132	—	—	—	—	—	—	—	—
IV. Held in sinking funds of States, localities, Territories, and possessions												
1937...	65	—	65	—	—	—	—	—	—	1,769	1,743	26
1938...	72	—	72	—	—	—	—	—	—	1,800	1,777	23
1939...	78	—	78	—	—	—	—	—	—	1,789	1,768	21
1940...	88	—	88	—	—	—	—	—	—	1,730	1,713	25
1941...	109	—	109	—	—	—	—	—	—	1,681	1,658	23
1942...	176	—	106	70	—	—	—	—	—	1,644	1,620	24
1943...	373	—	93	280	—	—	—	—	—	1,622	1,608	14
1944...	724	—	65	659	—	—	—	—	—	1,398	1,389	9
1945...	947	—	42	905	—	—	—	—	—	1,150	1,135	15
1946...	993	—	25	968	—	—	—	—	—	1,021	1,010	11
1947...	976	n. a.	n. a.	n. a.	—	—	—	—	—	1,004	1,004	—
1948...	855	n. a.	n. a.	n. a.	—	—	—	—	—	1,002	1,001	1
1949...	930	n. a.	n. a.	n. a.	—	—	—	—	—	1,020	1,019	1

Footnotes at end of table.

TABLE 115.—*Estimated distribution of interest-bearing governmental securities outstanding on June 30, 1937-49, classified by tax status and type of issuer*¹—Con.[Par value.² In millions of dollars]

June 30	U. S. Government (direct and guaranteed issues) ³					Federal instrumentalities (nonguaranteed issues) ⁴				State, local, and territorial governments (wholly tax-exempt) ⁵		
	Total	Tax-exempt		Tax-able ⁷	Special issues ⁸	Total	Tax-exempt		Tax-able ⁷	Total	Issues of States and localities	Issues of Territories and possessions ⁹
		Wholly ⁽⁶⁾	Partially ⁶				Wholly ⁽⁶⁾	Partially ⁶				
V. Held in trust and investment funds of States, localities, Territories, and possessions												
1937....	184		184							1,740	1,740	
1938....	225		225							1,824	1,824	
1939....	308		308							1,922	1,914	8
1940....	336		336							2,081	2,072	9
1941....	510		510							2,235	2,231	4
1942....	699			322						2,227	2,227	
1943....	1,087		300	787						2,210	2,202	8
1944....	2,466			2,240						2,032	2,010	22
1945....	4,309		148	4,161						1,747	1,731	16
1946....	5,465		114	5,351						1,356	1,341	15
1947....	6,133		n. a.	n. a.						1,433	1,424	9
1948....	6,931		n. a.	n. a.						1,481	1,475	6
1949....	7,070		n. a.	n. a.						1,713	1,707	6
VI. Privately held securities												
1937....	34,076	11,600	22,476	(*)	-----	1,422	1,394	25	3	15,261	15,141	120
1938....	33,777	8,899	24,878	1	-----	1,415	1,304	106	5	15,148	15,025	123
1939....	36,508	7,304	29,204	1	-----	1,421	1,238	175	8	15,624	15,503	121
1940....	37,903	6,928	30,971	4	-----	1,355	1,210	134	11	15,746	15,627	119
1941....	43,450	4,070	31,885	7,495	-----	1,385	1,104	161	120	15,394	15,274	120
1942....	62,375	3,573	29,293	29,510	-----	1,386	914	109	363	14,911	14,797	114
1943....	116,488	2,710	28,845	84,933	-----	1,292	910	55	326	14,068	13,962	106
1944....	163,870	1,330	24,788	137,753	-----	1,267	923		345	13,302	13,214	89
1945....	204,777	161	23,310	181,307	-----	1,007	579		429	13,030	12,938	93
1946....	209,206	144	19,675	189,388	-----	1,093			1,093	12,892	12,808	84
1947....	193,406	130	n. a.	n. a.	-----	497			497	13,674	13,632	42
1948....	185,231	127	n. a.	n. a.	-----	827			827	15,410	15,372	38
1949....	185,169	125	n. a.	n. a.	-----	876			876	17,398	17,348	50

NOTE.—For data for 1913 through 1936, see 1946 annual report, p. 664.

* Less than \$500 thousand.

° Revised.

n. a. Not available.

¹ The "total amount outstanding" of securities of the several issuers differs from the gross indebtedness of these issuers in that the former excludes noninterest-bearing debt. The "total privately held securities" differs from the net indebtedness of the borrowers in several additional respects. The former is derived by deducting from the total amount of interest-bearing securities outstanding the amount of such securities held by Federal agencies, Federal Reserve Banks, and by public sinking, trust, and investment funds. Net indebtedness, on the other hand, is derived by deducting from the gross indebtedness an amount equivalent to the total volume of sinking fund assets of the respective borrowers, but makes no allowance for any other public assets.

² In the case of data which include United States savings bonds, Series A-D, E, and F, the figures for these bonds represent current redemption values.

³ On basis of daily Treasury statements. Excludes transactions in Commodity Credit Corporation demand obligations which had not been reported in time for inclusion in the statement published in the daily Treasury statement for the end of the fiscal year. Guaranteed securities consist of Commodity Credit Corporation notes, Home Owners' Loan Corporation bonds (including those guaranteed as to interest only), Reconstruction Finance Corporation notes, Tennessee Valley Authority bonds, Federal Public Housing Authority (formerly United States Housing Authority) notes, Federal Farm Mortgage Corporation bonds, and Federal Housing Administration debentures. Excludes stocks, interagency loans, and securities held by the Treasury.

⁴ Includes Electric Home and Farm Authority notes, Federal intermediate credit bank debentures, Federal National Mortgage Association notes, home loan bank debentures, War Finance Corporation bonds (World War I), and joint stock land bank bonds. Includes Federal land bank bonds only through June 30, 1946; on June 27, 1947, the United States proprietary interest in these banks ended. Excludes stocks and interagency loans.

⁵ Securities the income from which is exempt from both the normal rates and surtax rates of the Federal income tax.

⁶ Securities the income from which is exempt only from the normal rates of the Federal income tax. In the case of partially tax-exempt (1) Treasury bonds and (2) United States savings bonds, interest derived from \$5,000 aggregate principal amount owned by any one holder is exempt from the surtax rates as well as the normal rates of the Federal income tax.

⁷ Securities the income from which is subject to both the normal rates and the surtax rates of the Federal income tax.

⁸ Special issues to Federal agencies and trust funds.

⁹ Excludes obligations of the Philippine Islands after June 30, 1946.

¹⁰ Excludes Federal Reserve Banks. Includes individual Indian trust funds.

TABLE. 116—Summary of Treasury survey of ownership of interest-bearing public debt and guaranteed obligations, June 30, 1948 and 1949 ¹

[Par values. In millions of dollars]

By type of security	Held by investors covered by Treasury survey ¹												Total amount outstanding			
	Commercial banks ² 3		Stock savings banks ³		Mutual savings banks ³		Life insurance companies		Fire, casualty, and marine insurance companies		U. S. Government investment accounts and Federal Reserve Banks				Held by all other investors ⁴	
	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949		
Number of institutions	7, 289	7, 245	33	32	532	530	308	331	626	625						
Public marketable:																
Treasury bills	2, 342	2, 812	3	5	58 [*]	13	57	22	55	38	4, 410	4, 410	2, 651	4, 237	13, 757	11, 536
Certificates of indebtedness	8, 532	9, 530	20	31	317	207	48	51	431	551	4, 630	4, 630	8, 610	12, 175	22, 588	29, 427
Treasury notes	4, 519	1, 798	12	3	98	41	14	1	209	103	1, 968	1, 968	4, 556	1, 245	11, 375	3, 596
Treasury bonds—bank-eligible	40, 788	40, 906	215	184	2, 509	1, 886	2, 483	1, 537	1, 450	1, 656	4, 483	3, 495	10, 898	10, 824	62, 826	60, 789
Treasury bonds—bank-restricted [†]	965	791	178	161	8, 538	8, 881	15, 526	13, 288	1, 421	1, 534	7, 058	9, 486	15, 949	15, 495	49, 636	49, 636
Postal savings and Panama Canal bonds	15	14	(*)	(*)	(*)	(*)	(*)	(*)	(*)	1	37	37	112	110	164	162
Guaranteed obligations (Federal Housing Administration debentures) [‡]	9	4	2	(*)	2	1	10	6	1	(*)			3	2	27	13
Total public marketable	57, 170	55, 853	429	384	11, 522	11, 029	18, 138	15, 206	3, 567	3, 884	26, 768	24, 717	42, 779	44, 087	160, 373	155, 160
Public nonmarketable:																
United States savings bonds [†]	823	1, 082	9	12	321	497	154	256	268	404	15	17	51, 684	53, 992	53, 274	56, 240
Treasury savings notes	32	36	1	(*)	(*)	(*)	1	1	2	10	21	7	4, 336	4, 806	4, 394	4, 860
Depository bonds	281	321	(*)	(*)	1	(*)							34	48	316	369
Armed forces leave bonds													563	396	563	396
Treasury bonds, investment series	184	183	3	3	122	124	290	291	37	36	100	100	222	216	959	954
Guaranteed obligations (Commodity Credit Corporation demand obligations) [‡]	([§])	([§])											([§])	([§])	42	11
Total public nonmarketable	1, 321	1, 622	13	15	444	621	445	548	307	450	136	124	56, 840	59, 458	59, 548	62, 850
Special issues															30, 211	32, 776
Grand total	58, 491	57, 475	442	400	11, 966	11, 650	18, 583	15, 754	3, 874	4, 334	57, 115	57, 616	99, 619	103, 546	250, 132	260, 785

TABLE 116.—*Summary of Treasury survey of interest-bearing public debt and guaranteed obligations, June 30, 1948 and 1949*¹—
Continued

(Par values. In millions of dollars)

By call classes	Held by investors covered by Treasury survey ¹												Total amount outstanding			
	Commercial banks ^{2 3}		Stock savings banks ³		Mutual savings banks ³		Life insurance companies		Fire, casualty, insurance and marine companies		U. S. Government investments and Federal Reserve Banks				Held by all other investors ⁴	
	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949	June 30, 1948	June 30, 1949		
Public marketable, due or first becoming callable:																
Within 1 year.....	16,793	19,355	39	52	546	455	134	151	729	899	15,347	12,360	16,281	19,030	49,870	52,302
1 to 5 years.....	30,467	26,209	113	95	1,829	1,279	1,865	1,182	925	942	2,954	2,332	7,971	7,136	46,124	39,175
5 to 10 years.....	6,167	6,500	84	87	506	2,002	530	984	381	748	861	1,116	1,935	3,630	10,464	15,067
10 to 15 years.....	1,383	1,348	66	69	2,963	2,981	1,817	3,744	693	618	1,575	1,600	3,911	3,356	12,407	13,715
15 to 20 years.....	2,350	2,438	125	81	5,676	4,312	13,782	9,139	837	678	6,031	7,307	12,679	10,933	41,481	34,888
Over 20 years.....																
Various (Federal Housing Administration debentures).....	9	4	2	(*)	2	1	10	6	1	(*)			3	2	27	13
Total public marketable.....	57,170	55,853	429	384	11,522	11,029	18,138	15,206	3,567	3,884	26,768	24,717	42,779	44,087	160,373	155,160

¹ Less than \$500,000.

² Banks and insurance companies covered in Treasury survey of ownership of securities issued or guaranteed by U. S. Government account for approximately 95 percent of amount of such securities owned by all banks and insurance companies in United States. Details as to each issue of security are available in *Treasury Bulletin* (a) monthly for above investors and (b) quarterly through September 1947, Bulletin and semiannually thereafter for commercial banks classified by membership in Federal Reserve System.

³ Includes trust companies.⁴ Securities held in trust departments are excluded.

⁵ Includes banks and insurance companies which are not covered in Treasury survey (see footnote 1).

⁶ Issues which commercial banks (banks accepting demand deposits) are not permitted to acquire prior to specified dates, with three exceptions: (1) Concurrently with Fourth, Fifth, and Sixth War Loans and Victory Loan, commercial banks were permitted to subscribe for limited investment of their savings deposits; (2) commercial banks may temporarily acquire such issues through forfeiture of collateral; and (3) commercial banks may hold a limited amount of such issues for trading purposes. Bank-restricted issues as of June 30, 1948 and 1949, and the earliest dates on which commercial banks may own them are as follows:

Bank-restricted issue of Treasury bonds	Earliest date on which commercial banks may own bonds	Bank-restricted issue of Treasury bonds	Earliest date on which commercial banks may own bonds
24 1/4%, June 15, 1959-62	June 15, 1952	21 3/4%, Dec. 15, 1964-69	Sept. 15, 1963
24 1/4%, Dec. 15, 1959-62	June 15, 1952	21 3/4%, Mar. 15, 1965-70	Feb. 1, 1964
24 1/4%, June 15, 1962-67	May 15, 1952	21 3/4%, Mar. 15, 1966-71	Dec. 1, 1964
24 1/4%, Dec. 15, 1962-67	Dec. 15, 1952	21 3/4%, June 15, 1967-72	June 15, 1962
24 1/4%, Dec. 15, 1963-68	Apr. 1, 1952	21 3/4%, Dec. 15, 1967-72	Dec. 15, 1962
24 1/4%, Dec. 15, 1964-69	Apr. 15, 1953		

BUDGET ESTIMATES

TABLE 117.—*Budget receipts and expenditures, actual for the fiscal year 1949 and estimated for 1950 and 1951*

[On basis of 1951 Budget document]

	Actual, ¹ fiscal year 1949	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Budget receipts:			
Internal revenue:			
Income and excess profits taxes:			
Corporation:			
Income.....	\$11,342,643,793	\$11,075,000,000	\$10,458,000,000
Excess profits taxes.....	211,025,441	100,000,000	60,000,000
Total corporation.....	11,553,669,234	11,175,000,000	10,518,000,000
Individual:			
Income tax withheld (daily Treasury statement basis).....	9,841,541,180	9,839,000,000	10,075,000,000
Income tax other than withheld.....	7,996,320,132	8,132,000,000	8,171,000,000
Adjustment to daily Treasury statement basis ²	+90,753,212		
Income tax other than withheld.....	8,087,073,344	8,132,000,000	8,171,000,000
Total individual.....	17,928,614,524	17,971,000,000	18,246,000,000
Total income and excess profits taxes.....	29,482,283,758	29,146,000,000	28,764,000,000
Miscellaneous internal revenue:			
Estate tax.....	735,780,569	645,000,000	635,000,000
Gift tax.....	60,757,345	52,000,000	57,000,000
Liquor taxes:			
Distilled spirits (domestic and imported) ³	1,397,948,515	1,440,000,000	1,470,000,000
Fermented malt liquors.....	686,367,516	680,000,000	690,000,000
Rectification tax.....	33,793,236	30,000,000	29,000,000
Wines (domestic and imported) ³	65,781,759	70,000,000	74,000,000
Special taxes in connection with liquor occupations.....	14,402,982	14,500,000	14,500,000
Container stamps.....	11,906,525	12,000,000	12,000,000
All other.....	400,850	500,000	500,000
Total liquor taxes.....	2,210,601,383	2,247,000,000	2,290,000,000
Tobacco taxes:			
Cigarettes (small).....	1,232,727,557	1,250,000,000	1,265,000,000
Tobacco (chewing and smoking).....	35,435,187	35,000,000	34,000,000
Cigars (large).....	45,530,429	45,000,000	45,000,000
Snuff.....	7,272,319	7,000,000	7,000,000
Cigarette papers and tubes.....	840,776	900,000	900,000
All other.....	68,502	100,000	100,000
Total tobacco taxes.....	1,321,874,770	1,338,000,000	1,352,000,000
Stamp taxes:			
Issues of securities, bond transfers, and deeds of conveyance.....	46,666,891	43,000,000	40,000,000
Stock transfers.....	17,909,766	20,000,000	20,000,000
Playing cards.....	7,563,961	7,500,000	7,500,000
Silver bullion sales or transfers.....	687,425	500,000	500,000
Total stamp taxes.....	72,828,043	71,000,000	68,000,000
Manufacturers' excise taxes:			
Gasoline.....	503,647,470	530,000,000	550,000,000
Lubricating oils.....	81,759,612	83,000,000	83,000,000
Passenger automobiles and motorcycles.....	332,812,342	437,000,000	350,000,000
Automobile trucks, busses, and trailers.....	136,797,379	120,000,000	105,000,000
Parts and accessories for automobiles.....	120,138,240	92,000,000	90,000,000
Tires and inner tubes.....	150,899,048	145,000,000	140,000,000
Electrical energy.....	79,347,496	83,000,000	86,000,000
Electric, gas, and oil appliances.....	80,934,509	65,000,000	65,000,000
Electric light bulbs.....	26,172,167	25,000,000	25,000,000
Radio receiving sets, phonographs, phonograph records, and musical instruments.....	64,935,016	50,000,000	45,000,000
Refrigerators, refrigerating apparatus, and air-conditioners.....	77,833,245	65,000,000	65,000,000

Footnotes at end of table.

TABLE 117.—*Budget receipts and expenditures, actual for the fiscal year 1949 and estimated for 1950 and 1951—Continued*

	Actual, ¹ fiscal year 1949	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Budget receipts—Continued			
Internal revenue—Continued			
Miscellaneous internal revenue—Continued			
Manufacturers' excise taxes—Continued			
Business and store machines.....	\$33,343,900	\$30,000,000	\$30,000,000
Photographic apparatus.....	43,139,669	40,000,000	42,000,000
Matches.....	8,737,618	10,300,000	10,300,000
Sporting goods.....	19,846,485	17,000,000	18,000,000
Pistols and revolvers.....	809,888	699,900	699,900
Luggage.....	100	100	100
Total manufacturers' excise taxes.....	1,761,154,184	1,793,000,000	1,705,000,000
Retailers' excise taxes:			
Jewelry, etc.....	210,688,165	199,000,000	201,000,000
Furs.....	61,946,247	54,000,000	55,000,000
Toilet preparations.....	93,969,241	94,000,000	95,000,000
Luggage, handbags, wallets, etc.....	82,607,134	79,000,000	80,000,000
Total retailers' excise taxes.....	449,210,787	426,000,000	431,000,000
Miscellaneous excise taxes:			
Telephone, telegraph, radio, and cable facilities, leased wires, etc.....	311,379,682	320,000,000	325,000,000
Local telephone service.....	224,530,631	250,000,000	255,000,000
Transportation of oil by pipe line.....	19,324,553	20,000,000	20,000,000
Transportation of persons.....	251,388,582	240,000,000	240,000,000
Transportation of property.....	337,029,890	320,000,000	330,000,000
Admissions, exclusive of cabarets, roof gardens, etc.....	385,843,793	385,000,000	395,000,000
Cabarets, roof gardens, etc.....	48,856,669	42,000,000	40,000,000
Club dues and initiation fees.....	27,789,912	28,000,000	29,000,000
Leases of safe deposit boxes.....	9,461,317	10,000,000	10,000,000
Coconut and other vegetable oils processed.....	17,459,775	17,000,000	20,000,000
Oleomargarine, etc., including special taxes and adulterated butter.....	17,562,118	25,000,000	30,000,000
Sugar tax.....	76,174,356	72,000,000	75,000,000
Coin-operated amusement and gaming devices.....	21,087,534	21,000,000	21,000,000
Bowling alleys and billiard and pool tables.....	3,805,118	4,000,000	4,000,000
All other miscellaneous excise taxes ⁴	7,235,249	2,000,000	2,000,000
Total miscellaneous excise taxes.....	1,758,929,179	1,756,000,000	1,796,000,000
Total miscellaneous internal revenue.....	8,371,136,260	8,328,000,000	8,334,000,000
Adjustment to daily Treasury statement basis.....	-23,113,268		
Total miscellaneous internal revenue.....	8,348,022,992	8,328,000,000	8,334,000,000
Employment taxes:			
Taxes on employment by other than carriers:			
Federal Insurance Contributions Act.....	1,690,288,510	2,245,000,000	2,515,000,000
Adjustment to daily Treasury statement basis.....	+7,195		
Total.....	1,690,295,705	2,245,000,000	2,515,000,000
Federal Unemployment Tax Act.....	222,859,882	223,000,000	224,000,000
Adjustment to daily Treasury statement basis.....	-10,187		
Total.....	222,849,695	223,000,000	224,000,000
Railroad Retirement Tax Act.....	563,823,988	570,000,000	594,000,000
Adjustment to daily Treasury statement basis.....	+8,737		
Total.....	563,832,725	570,000,000	594,000,000
Total employment taxes under existing legislation.....	2,476,978,125	3,038,000,000	3,333,000,000
Total internal revenue under existing legislation.....	40,307,284,875	40,512,000,000	40,431,000,000

Footnotes at end of table.

TABLE 117.—*Budget receipts and expenditures, actual for the fiscal year 1949 and estimated for 1950 and 1951—Continued*

	Actual, ¹ fiscal year 1949	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Budget receipts—Continued			
Internal revenue—Continued			
Employment taxes—Continued			
Proposed legislation:			
Federal Insurance Contributions Act			\$1,200,000,000
Health insurance			250,000,000
Total proposed legislation			1,450,000,000
Total employment taxes under existing and proposed legislation	\$2,476,978,125	\$3,038,000,000	4,783,000,000
Total internal revenue under existing and proposed legislation	40,307,284,875	40,512,000,000	41,881,000,000
Railroad Unemployment Insurance Act:			
Receipts from contributors	45,498	7,200,000	9,900,000
Transfers from unemployment trust fund (adjustment for retroactive credits taken by contributors)	9,693,797	2,500,000	
Total	9,739,295	9,700,000	9,900,000
Customs	384,678,562	375,000,000	375,000,000
Adjustment to daily Treasury statement basis	-193,767		
Total	384,484,795	375,000,000	375,000,000
Miscellaneous receipts:			
Taxes: Miscellaneous taxes	15,332,718	15,474,000	15,431,000
Seigniorage and coinage	47,509,565	28,403,500	35,903,500
Fees for permits and licenses	47,850,595	51,666,451	52,312,437
Fines, penalties, and forfeitures	10,689,711	10,301,007	9,237,167
Gifts and contributions	1,030,303	675,021	854,870
Interest	82,773,667	135,866,658	161,112,236
Dividends and other earnings	191,909,210	178,940,357	153,416,441
Rents	191,817,397	99,013,168	50,926,340
Royalties	39,180,662	42,219,275	46,169,275
Sales of products	107,918,371	118,631,513	126,583,670
Fees and other charges for services	71,026,742	63,393,953	66,093,252
Sale of Government property	683,595,396	372,502,026	246,686,385
Realization upon loans and investments	177,720,058	36,780,156	32,663,474
Recoveries and refunds	339,290,378	134,706,062	98,392,047
Total miscellaneous receipts	2,007,804,773	1,288,573,147	1,095,782,034
Adjustment to daily Treasury statement basis	+64,191,782		
Total miscellaneous receipts under existing legislation	2,071,996,555	1,288,573,147	1,095,782,034
Proposed legislation:			
Repayment of capital stock, Federal home loan banks			60,000,000
Total miscellaneous receipts under existing and proposed legislation	2,071,996,555	1,288,573,147	1,155,782,034
Total receipts	42,773,505,520	42,185,273,147	43,421,682,034
Deduct:			
Appropriation to Federal old-age and survivors insurance trust fund:			
Existing legislation	1,690,295,705	2,245,000,000	2,515,000,000
Proposed legislation			1,200,000,000
Appropriation to health insurance trust fund:			
Proposed legislation			250,000,000
Refunds of receipts (excluding interest)	2,829,818,601	2,177,045,464	2,151,096,000
Adjustment to daily Treasury statement basis	+7,723,404		
Total refunds of receipts (excluding interest)	2,837,542,005	2,177,045,464	2,151,096,000
Net budget receipts	38,245,667,810	37,763,227,683	37,305,586,034

Footnotes at end of table.

TABLE 117.—*Budget receipts and expenditures, actual for the fiscal year 1949 and estimated for 1950 and 1951—Continued*

	Actual, fiscal year 1949	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Budget expenditures: ⁵			
Legislative branch.....	\$46,506,024	\$61,690,164	\$70,655,064
The Judiciary.....	21,048,498	24,381,408	25,951,371
Executive Office of the President.....	7,996,989	9,870,310	10,655,487
Funds appropriated to the President ⁶	4,043,690,247	4,133,988,085	4,055,000,000
Independent offices:			
Atomic Energy Commission.....	620,937,630	672,971,274	816,754,000
Civil Service Commission.....	243,921,499	325,174,529	353,299,777
Export-Import Bank of Washington.....	^a 56,824,074	71,442,000	47,800,000
General Accounting Office.....	35,161,691	35,764,042	36,933,184
National Advisory Committee for Aeronautics.....	48,682,884	56,160,000	64,600,000
Philippine War Damage Commission.....	170,305,668	187,842,404	60,250,000
Railroad Retirement Board.....	593,588,559	612,881,136	603,461,136
Reconstruction Finance Corporation.....	355,466,002	1,033,962,933	1,128,466,241
Tennessee Valley Authority.....	26,952,380	51,601,793	96,005,000
United States Maritime Commission.....	133,307,838	162,230,466	222,275,898
Veterans' Administration.....	6,556,588,260	6,765,859,665	5,989,169,755
Other independent offices.....	223,296,736	273,317,953	95,383,769
Federal Security Agency.....	1,312,825,738	1,545,286,881	2,231,829,001
General Services Administration.....	507,670,086	797,190,757	920,687,284
Housing and Home Finance Agency.....	^a 77,163,104	^a 49,078,404	116,459,227
Department of Agriculture.....	2,749,537,785	2,853,281,032	2,415,385,787
Department of Commerce.....	661,759,588	834,267,053	877,482,472
Department of Defense:			
Office of the Secretary of Defense.....	6,727,022	216,515,186	361,688,302
Department of the Army:			
Military functions.....	5,615,234,333	4,459,711,046	4,090,776,081
Civil functions.....	2,121,302,066	1,741,168,522	1,239,142,238
Department of the Navy.....	4,441,566,772	4,413,446,491	4,160,109,171
Department of the Air Force.....	1,800,281,666	3,745,000,000	4,415,000,000
Adjustments due to unexpended reimbursements from the mutual defense assistance program.....		^a 50,000,000	^a 225,000,000
Department of Defense: Military functions.....			70,000,000
Department of the Interior.....	484,782,665	637,654,559	752,539,773
Department of Justice.....	125,591,460	134,734,653	145,183,675
Department of Labor.....	15,303,178	156,765,665	229,454,156
Post Office Department (general fund).....	533,594,606	572,777,142	163,871,742
Department of State.....	316,718,006	358,429,791	285,145,280
Treasury Department:			
Interest on the public debt.....	5,352,301,989	5,725,000,000	5,625,000,000
Other.....	734,057,254	663,312,178	700,342,535
District of Columbia (Federal contribution).....	12,015,115	12,004,213	12,000,000
Reserve for contingencies.....		50,000,000	175,000,000
Adjustment to daily Treasury statement basis.....	+272,374,742		
Total budget expenditures ⁶	40,057,107,858	43,296,604,927	42,438,757,406
Budget deficit.....	1,811,440,048	5,533,377,244	5,133,171,372

^a Excess of credits (deduct).

¹ Amounts shown for the individual income tax withheld are on the daily Treasury statement basis; employment taxes, customs, and refunds of receipts are on the warrants-issued basis. Detail concerning income taxes not withheld is on the warrants-issued basis, which, in the case of these taxes, is the same as the collection basis. The detail of miscellaneous internal revenue is on the collection basis and the detail of miscellaneous receipts is on the warrants-issued basis. Receipts from the Railroad Unemployment Insurance Act are on the daily Treasury statement basis, which, for this tax, is the same as the warrants-issued basis. Adjustment in all cases is to the daily Treasury statement basis. (See table 7, "Note.")

² The adjustment for total income and excess profits taxes other than withheld is arbitrarily assigned to the individual income tax.

³ Collections for credit to trust funds are not included.

⁴ Includes collections from: Taxes on narcotics, taxes imposed under the National Firearms Act which are effective currently. In addition includes collections from excise taxes repealed or suspended prior to and including the Revenue Act of 1945 (with the exception of manufacturers' tax on luggage); collections from the unjust enrichment tax; collections from the capital stock tax repealed with respect to years ending after June 30, 1945; and collections from the use tax on motor vehicles and boats repealed by the Revenue Act of 1945 with respect to the period after June 30, 1946.

⁵ Classified by organization units, based on table 8 of the 1951 Budget document. The figures are based upon the Treasury's Combined Statement of Receipts, Expenditures and Balances, and therefore differ from figures published in the daily Treasury statement.

⁶ Includes expenditures made out of Foreign Economic Cooperation trust fund pursuant to sec. 114 (f) of the Economic Cooperation Act of 1948.

TABLE 118.—*Trust accounts, etc., receipts and expenditures, actual for the fiscal year 1949 and estimated for 1950 and 1951*¹

[On basis of 1951 Budget document]

	Actual, fiscal year 1949	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Receipts:			
Federal employees' retirement funds:			
Deductions from employees' salaries and other receipts.....	\$328,061,071	\$373,945,485	\$352,600,000
Interest and profits on investments.....	124,042,669	140,433,464	163,491,697
Transfers from general and special accounts.....	229,576,000	306,470,728	337,484,000
Federal old-age and survivors insurance trust fund:			
Appropriation from general account receipts.....	1,690,288,510	2,245,000,000	2,515,000,000
Interest on investments.....	230,194,240	257,414,285	299,598,271
Transfers from general and special accounts.....	2,971,000	3,604,000	3,604,000
Proposed legislation.....			1,200,000,000
Health insurance trust fund.....			250,000,000
Railroad retirement account:			
Interest on investments.....	50,942,716	60,712,860	64,000,000
Transfers from general and special accounts.....	574,459,000	602,287,140	594,000,000
Unemployment trust fund:			
Deposits by States.....	985,065,184	1,004,000,000	1,175,000,000
Deposits by Railroad Retirement Board.....	74,231	10,800,000	14,900,000
Interest on investments.....	180,100,363	161,506,777	165,455,694
Transfers from general and special accounts.....	8,967,357	2,937,873	3,456,078
Veterans' life insurance funds:			
Premiums and other receipts.....	430,614,564	445,610,000	465,030,000
Interest on investments.....	255,207,351	261,552,000	209,572,672
Transfers from general and special accounts.....	89,407,501	487,061,946	33,274,328
Other trust accounts:			
Transfers from general and special accounts.....	12,000,000	12,000,000	12,000,000
Miscellaneous trust receipts.....	368,138,942	333,364,074	340,295,880
Adjustment to daily Treasury statement basis.....	+154,312,972		
Total trust account receipts.....	5,714,426,671	6,708,700,632	8,198,822,620
Expenditures: ¹			
Other than investments:			
Federal employees' retirement funds: Annuities and refunds.....	221,307,330	255,321,126	275,832,701
Federal old-age and survivors insurance trust fund: Benefit payments and administrative expenses.....	659,819,161	782,507,082	2,300,000,000
Health insurance trust fund: Benefit payments.....			35,000,000
Railroad retirement account: Benefit payments and other expenditures.....	278,158,268	313,766,500	345,915,500
Unemployment trust fund: Withdrawals by States and other expenditures.....	1,326,886,966	2,033,900,000	1,570,399,000
Veterans' life insurance funds: Insurance losses and refunds.....	392,986,697	2,730,233,000	999,479,000
Other trust accounts: Miscellaneous trust expenditures.....	348,359,076	425,176,492	387,793,405
Checking accounts of Government corporations (not wholly owned) with the Treasurer of the United States (net).....	^a 25,388,131	40,000,000	82,100,000
Other special deposit accounts (net).....	457,756,151	247,210,000	195,850,000
Sales and redemptions of obligations of Government corporations and credit agencies in the market (net).....	74,459,836	^a 52,165,206	^a 86,684,000
Adjustment to daily Treasury statement basis.....	+164,520,966		
Total expenditures other than investments.....	3,898,866,320	6,775,948,994	6,105,685,606
Investments in United States securities:			
Federal employees' retirement funds.....	447,352,000	578,873,432	576,964,745
Federal old-age and survivors insurance trust fund.....	1,293,890,969	1,729,149,168	1,714,714,221
Health insurance trust fund.....			215,000,000
Railroad retirement account.....	345,500,000	349,000,000	312,500,000
Unemployment trust fund.....	^b 160,066,793	^b 832,973,324	^b 215,968,542
Veterans' life insurance funds.....	383,854,540	^b 1,537,000,000	^b 291,500,000
Other trust accounts.....	^b 237,000	^b 225,000	^b 211,000
Total investments.....	2,310,293,716	286,824,276	2,311,499,424
Total trust account expenditures.....	6,209,160,036	7,062,773,270	8,417,185,030
Net receipts, or expenditures (-) ¹	-494,733,365	-354,072,638	-218,362,410

NOTE.—Detailed figures are based upon the Treasury's Combined Statement of Receipts, Expenditures and Balances, and therefore differ from figures published in the daily Treasury statement.

¹ Excludes expenditures from the Foreign Economic Cooperation trust fund.^a Excess of credits (deduct).^b Excess of redemptions (deduct).

TABLE 119.—*Effect of financial operations on the public debt, actual for the fiscal year 1949 and estimated for 1950 and 1951*

[On basis of 1951 Budget document]

	Actual, fiscal year 1949	Estimated, fiscal year 1950	Estimated, fiscal year 1951
Budget deficit ¹	\$1,511,440,048	\$5,533,377,244	\$5,133,171,372
Net expenditures of trust accounts, etc. ¹	494,733,365	354,072,638	218,362,410
Increase in Treasury cash balance [or decrease (—)].....	—1,461,618,166	—57,809,742	48,466,218
Subtotal.....	844,555,247	5,829,640,140	5,400,000,000
Less: Increase in clearing account for outstanding checks, etc.....	366,441,900	200,000,000	-----
Increase in public debt.....	478,113,347	5,629,640,140	5,400,000,000
Treasury cash balance:			
Beginning of year.....	4,932,021,477	3,470,403,311	3,412,593,569
Change during year.....	—1,461,618,166	—57,809,742	48,466,218
End of year.....	3,470,403,311	3,412,593,569	3,461,059,787
Public debt outstanding:			
Beginning of year.....	252,292,246,513	252,770,359,860	258,400,000,000
Change during year.....	478,113,347	5,629,640,140	5,400,000,000
End of year.....	252,770,359,860	258,400,000,000	263,800,000,000

¹ Budget deficit for 1949 takes into account \$3.0 billion of expenditures made out of Foreign Economic Cooperation trust fund.

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